

NAMA KHOI LOCAL MUNICIPALITY



DRAFT BUDGET 2012/13 TO 2014/15

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Abbreviations and Acronyms

ASGISA	Accelerated and Shared Growth Initiative	ℓ	litre
BPC	Budget Planning Committee	LED	Local Economic Development
CFO	Chief Financial Officer	MEC	Member of the Executive Committee
CPI	Consumer Price Index	MFMA	Municipal Financial Management Act Programme
CRRF	Capital Replacement Reserve Fund	MIG	Municipal Infrastructure Grant
DBSA	Development Bank of South Africa	MM	Municipal Manager
DoRA	Division of Revenue Act	MMC	Member of Mayoral Committee
DWA	Department of Water Affairs	MPRA	Municipal Properties Rates Act
EE	Employment Equity	MSA	Municipal Systems Act
EM	Executive Mayor	MTEF	Medium-term Expenditure Framework
FBS	Free basic services	MTREF	Medium-term Revenue and Expenditure Framework
GAMAP	Generally Accepted Municipal Accounting Practice	NERSA	National Electricity Regulator South Africa
GDP	Gross domestic product	NGO	Non-Governmental organisations
NCPGDS	Northern Cape Provincial Growth and Development Strategy	NKPIs	National Key Performance Indicators
GFS	Government Financial Statistics	PMS	Performance Management System
GRAP	General Recognised Accounting Practice	PPE	Property Plant and Equipment
HR	Human Resources	PPP	Public Private Partnership
HSRC	Human Science Research Council	RSC	Regional Services Council
IDP	Integrated Development Strategy	SALGA	South African Local Government Association
IT	Information Technology	SAPS	South African Police Service
kℓ	kilolitre	SDBIP	Service Delivery Budget Implementation Plan
km	kilometre	SMME	Small Micro and Medium Enterprises
KPA	Key Performance Area		
KPI	Key Performance Indicator		
kWh	kilowatt		

Part 1 – Annual Budget

1.1 Mayor's Report

1. Die begroting is vanjaar saamgestel teen die agtergrond dat die munisipaliteit wil uitbrei op goeie dienslewering aan die gemeenskappe om daarop te verbeter en verder voldoening aan wetgewing in die strewe na n verbeterde administrasie wat sal lei tot n skoon ouditverslag in die toekoms.

Die nuwe Munisipale Bestuurder het vervolgens die organigram hersien en na verskeie konsultasies dit laat goedgekeur deur die Raad. Die uitvloeisel hiervan is dat kritieke poste geïdentifiseer was wat dan in die begroting opgeneem is.

Die instandhouding van bestaande dienste het ook n prioriteit geword en vervolgens is daar addisionele voorsiening gemaak in die begroting veral by strate, water en elektrisiteitsdienste.

Ten einde bogenoemde te kan doen moet tariewe ook verhoog word en die Nasionale Tesourier voorskriftelik dat tariewe die volle koste van die diens moet reflekteer. In hierdie verband is die huidige tariewe nog nie korrek en sal die Raad dit infaseer om in die toekoms aan hierdie voorskrif te voldoen.

2. Die voorgestelde begroting vir 2012/2013 het gegroei met 17.7 % vanaf 158 779 283 tot R186 859 276

3. Inkomste

Die volgende verhogings is toegepas en ingebring in die begroting:

Belasting – Huishoudings:	12 %
Besighede :	13.5 %
Elektrisiteit-	12.03 %
Water -	16 %
Vullis -	10 %
Riool -	10 %
Ander -	10 %

4. Uitgawes

Daar is voorsiening gemaak vir n 8 % salaris verhoging in die begroting.

Bykomend is ook voorsiening gemaak vir nuwe salarisskale soos ooreengekom tussen SALGA en vakbonde.

Grootmaatdienste is as volg verhoog:

Water:	15 %
Elektrisiteit:	16%

Addisionele voorsiening is ook gemaak vir instandhouding op:

Strate:	R1 400 000
Water:	R1 200 000
Elektrisiteit:	R2 000 000
Riool:	R1 000 000

Ander uitgawes is inflasioner aangepas in lyn met huidige jaar se geprojekteerde werklike uitgawes.

W.T. CLOETE

BURGEMEESTER

1.2 Council Resolutions

On 02 April 2012 the Council of Nama Khoi Local Municipality met in the Council Chambers of Nama Khoi Municipality to consider the annual budget of the municipality for the financial year 2012/13. The Council approved and adopted the following resolutions:

1. The Council of Nama Khoi Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The annual budget of the municipality for the financial year 2012/13 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2 on page 27;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3 on page 29;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4 on page 31; and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5 on page 33.
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as contained in Table A 6 on page 36;
 - 1.2.2. Budgeted Cash Flows as contained in Table A 7 on page 37;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table A8 on page 37;
 - 1.2.4. Asset management as contained in Table A 9 on page 39; and
 - 1.2.5. Basic service delivery measurement as contained in Table A10 on page 42.
2. The Council of Nama Khoi Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2012:
 - 2.1. the tariffs for property rates –

- 2.2. the tariffs for electricity –
 - 2.3. the tariffs for the supply of water –
 - 2.4. the tariffs for sanitation services –
 - 2.5. the tariffs for solid waste services –
3. The Council of Nama Khoi Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2012 the tariffs for other services.
4. To give proper effect to the municipality's annual budget, the Council of Nama Khoi Local Municipality approves:
- 4.1. That the municipality be permitted to enter into long-term loans for the funding of the capital programmes in respect of the 2012/13 financial year limited to an amount of R 27 million per financial year of the MTREF in terms of Section 46 of the Municipal Finance Management Act.
 - 4.2. That the Municipal Manager be authorized to sign all necessary agreements and documents to give effect to the above lending programme.

1.3 Executive Summary

The Nama Khoi Municipality has taken upon its responsibility that the application of sound financial management principles for the compilation of the Municipality's budget for 2012/13 is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

In responding to the needs of the people Nama Khoi Municipality needed to review its strategic objective and it was also necessary to review the Municipality's service delivery priorities as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' items. A decision was also taken only to fill critical vacant position on the organogram. Key areas where savings were realized were on telephone and internet usage, printing, workshops, accommodation, and catering.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 58 and the Circular on Key issues in MFMA Budget were used to guide the compilation of the 2012/13 MTREF.

The main challenges experienced during the compilation of the 2012/13 MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained water, roads and electricity Municipality infrastructure;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk water and electricity (due to tariff increases from Sedibeng Water and Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Affordability of capital projects

The following budget principles and guidelines directly informed the compilation of the 2012/13 MTREF:

- The 2012/12 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2012/13 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;

- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2012/13 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2012/13 MTREF

R thousands	Adjusted Budget	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Total Revenue	144 972 357	154 176 068	161 696 137	169 619 247
Total Expenditure	158 779 283	186 859 276	196 762 818	206 404 196
Surplus/deficit	-13 806 926	-32 683 208	-35 066 681	-36 784 949
Capital Expenditure	29 953 670	44 558 000	18 971 000	25 952 000

Total operating revenue has grown by 6% per cent or R9 204 million for the 2012/13 financial year when compared to the 2011/12 Adjustments Budget. For the two outer years, operational revenue will increase by 5 % and then increase with 5% per cent respectively.

Total operating expenditure for the 2012/13 financial year has been appropriated at R186 859 276 and translates into a budgeted deficit of R13.8 million. When compared to the 2011/12 Adjustments Budget, operational expenditure has grown by 18 per cent in the 2012/13 budget and by 5 and 5 per cent for each of the respective outer years of the MTREF. The operating expenditure for the two outer years steadily increases by R9.9 million and then stabilize at R9.6 million

The capital budget of R44 558 000 for 2012/13 is 49 per cent more when compared to the 2011/12 Adjustment Budget. The capital programme increases to R 44 558 000 in the 2012/13 financial year and then decreased in 2013/14 to R 18 971 000, and then increases to R25 952 000 a percentage increase of 37 per cent from the 2013/14 to the 2014/15 year.

1.4 Operating Revenue Framework

For Nama Khoi to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with huge number of unemployment due to the closure of mines in the past years which lead to poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2012/13 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source											
Property rates	2	19 731	20 096	22 061	21 858	20 693	20 693	–	30 510	32 127	33 701
Property rates - penalties & collection charges			362	456	468	–	–		618		
Service charges - electricity revenue	2	26 288	30 000	35 192	46 700	46 529	46 529	–	49 856	52 499	55 071
Service charges - water revenue	2	10 386	13 588	15 392	20 703	17 193	17 193	–	18 716	19 708	20 673
Service charges - sanitation revenue	2	3 924	4 832	5 449	5 228	6 848	6 848	–	5 743	6 048	6 344
Service charges - refuse revenue	2	212	3 892	4 528	995	6 393	6 393	–	7 672	8 078	8 474
Service charges - other						–	–		1 648	1 735	1 820
Rental of facilities and equipment		998	1 221	1 041	1 143	867	867		1 260	1 327	1 392
Interest earned - external investments		1 306	554	723	490	684	684		485	511	536
Interest earned - outstanding debtors		913	779	1 003	939	600	600		1 224	1 289	1 353
Dividends received						–	–			–	–
Fines		443	177	178	244	7	7		88	93	97
Licences and permits		879	902	1 011	1 215	358	358		1 254	1 320	1 385
Agency services		1 080	939	942	1 011	1 114	1 114		1 206	1 270	1 332
Transfers recognised - operational		18 104	65 706	27 291	32 358	33 531	33 531		36 302	38 226	40 099
Other revenue	2	5 927	10 634	3 512	3 696	10 156	10 156	–	(2 407)	(2 534)	(2 658)
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		90 191	153 683	118 779	137 048	144 972	144 972	–	154 176	161 696	169 619

Table 3 Percentage growth in revenue by main revenue source

Description	Current Year		2012/13 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget		Budget Year 2012/13		Budget Year +1 2013/14		Budget Year +2 2014/15	
R thousand								
Revenue By Source								
Property rates	20 693 477	14.27%	30 509 539	19.79%	32 126 545	19.87%	33 700 745	19.87%
Property rates - penalties & collection charges	-		618 484	0.40%				
Service charges - electricity revenue	46 528 914	32.10%	49 856 332	32.34%	52 498 717	32.47%	55 071 155	32.47%
Service charges - water revenue	17 192 926	11.86%	18 715 831	12.14%	19 707 770	12.19%	20 673 450	12.19%
Service charges - sanitation revenue	6 847 762	4.72%	5 743 147	3.73%	6 047 534	3.74%	6 343 863	3.74%
Service charges - refuse revenue	6 393 074	4.41%	7 671 693	4.98%	8 078 293	5.00%	8 474 129	5.00%
Service charges - other	-		1 647 753	1.07%	1 735 084	1.07%	1 820 103	1.07%
Rental of facilities and equipment	867 096	0.60%	1 260 404	0.82%	1 327 205	0.82%	1 392 238	0.82%
Interest earned - external investments	683 584	0.47%	485 161	0.31%	510 874	0.32%	535 907	0.32%
Interest earned - outstanding debtors	599 870	0.41%	1 224 465	0.79%	1 289 362	0.80%	1 352 541	0.80%
Dividends received	-				-		-	
Fines	6 520	0.00%	87 984	0.06%	92 647	0.06%	97 187	0.06%
Licences and permits	357 606	0.25%	1 253 885	0.81%	1 320 340	0.82%	1 385 037	0.82%
Agency services	1 114 078	3.32%	1 205 713	0.78%	1 269 615	0.79%	1 331 826	0.79%
Transfers recognised - operational	33 531 226	23.13%	36 302 323	23.55%	38 226 346	23.64%	40 099 437	23.64%
Other revenue	10 156 224	7.01%	-2 406 644	-1.56%	-2 534 196	-1.57%	-2 658 372	-1.57%
Gains on disposal of PPE								
Total Revenue	144 972 357		154 176 068		161 696 137		169 619 247	
Total Revenue from Rates and Services	97 656 153	67.36%	114 762 778	74.44%	120 193 942	74.33%	126 083 445	74.33%

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise more than two thirds of the total revenue mix. In the 2011/12 financial year, revenue from rates and services charges totaled R 97 million or 67 per cent. This increases to R 114 million,

R120 million and R 126 million in the respective financial years of the MTREF. A notable trend is the increase in the total percentage revenue generated from rates and services charges remained at 74.33 per cent in 2013/14 and the 2014/15. Details in this regard are contained in Table 64 MBRR SA1 (see page 99).

Operational Grants is the second largest revenue source totaling 23.55 per cent or R36.3 million rand and increases to R38.2 million by 2013/14. The third largest sources is 'other revenue' which consists of various items such as income received from sale of land/buildings, permits and licenses, building plan fees, connection fees and rentals. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

Operating grants and transfers totals R33.5 million in the 2011/12 financial year and steadily increases to R41.6 million by 2012/13. Note that the year-on-year growth for the 2012/13 financial year is 28.6 per cent and then flattens out to -9.9 and then increase to 7.8 per cent in the two outer years. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 4 Operating Transfers and Grant Receipts

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		14 822	24 036	29 172	31 586	-	-	34 768	37 849	40 795
Local Government Equitable Share		13 438	21 765	27 222	28 625			32 468	35 199	38 095
Finance Management Grant		500	750	1 200	1 450			1 500	1 750	1 750
Municipal Systems Improvement Grant		735	850	750	790			800	900	950
DWAF: WSACDBP		149	671							
Integrated National Electricity Program					721					
Other transfers/grants [insert description]										
Regional Bulk Infr Grant										
Provincial Government:		25 589	8 535	-	772	-	-	6 846	-	-
Library		701	579		772			1 176		
Taxi Rank			826							
Sport Development		309								
Housing		24 580	7 129					5 670		
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	900	-	-	-	-	-	-	-
DBSA			900							
Total Operating Transfers and Grants	5	40 411	33 471	29 172	32 358	-	-	41 614	37 849	40 795

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of both Eskom and Sedibeng Water bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality and in these tariffs are largely outside the control of the Municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the Municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilized for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

1.4.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA).
- 33 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons, a maximum/total rebate of 33 per cent (calculated on a sliding scale) will be granted to owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not exceed the amount equal to R 36000. In this regard the following stipulations are relevant:
 - The rate-able property concerned must be occupied only by the applicant and his/her spouse.
 - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
 - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
 - The property must be categorized as residential.
- The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2012/13 financial year based on a 10 per cent increase from 1 July 2012 is contained below:

Table 5 Comparison of proposed rates to levied for the 2012/13 financial year

Category	Current Tariff (1 July 2011)	Proposed tariff (from 1 July 2012)
	C	C
Residential properties	0.01362	0.01525
State owned properties	0.01362 min 20 % rebates	0.01498
Business & Commercial	0.01362	0.01546
Agricultural	0.03405	0.003592

1.4.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and

- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014.

Better maintenance of infrastructure and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability. Sedibeng Water has increased its bulk tariffs with 14.5 per cent from 1 July 2012.

A tariff increase of 16 per cent from 1 July 2012 for water is proposed. This is based on input cost assumptions of 8.5 per cent increase in the cost of bulk water (Sedibeng Water), the cost of other inputs increasing by 6 per cent to make up for the 43 per cent increase not implemented in the 2010/11 financial year as it will be phased in over a period of five years. In addition 6 kℓ water per 30-day period will again be granted free of charge only to registered indigents.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

Table 6 Proposed Water Tariffs

CATEGORY	CURRENT TARIFFS 2011/12	PROPOSED TARIFFS 2012/13
	Rand per kℓ	Rand per kℓ
RESIDENTIAL		
(i) 0 -20 kℓ per 30-day period	R 11.49	R 13.33
(ii) 21 + kℓ per 30-day period	R 14.38	R 16,68
BUSINESS		
(i) 0 – 10 kℓ per 30-day period	R 14.38	R 16.68

The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling-house:

Table 7.1 Comparison between current water charges and increases (Domestic)

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
20	229.80	266.60	36.80	16%
30	373.60	433.40	59.80	16%

Table 8.2 Comparison between current water charges and increases (Commercial)

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
20	287.60	333.60	46.00	16%
30	431.40	500.40	69.00	16%

The tariff structure for 2012/2013 has not been changed. The Council will have to look at the structure when compiling the 2013/14 budget in order to be cost reflective and to allow small water usage to benefit more than the higher water usage household.

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure. A 13.5 per cent increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2012.

Considering the Eskom increases, the consumer tariff had to be increased by 11.03 per cent to offset the additional bulk purchase cost from 1 July 2012. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

The letter dated 07/12/2011 from NERSA has approved the inclusion of NRS 048 part 6 and NRS 048 part 8 in the municipality's license condition. In order for the municipality to comply with the above mentioned standards it was agreed by the Budget Committee for the additional 1 per cent to be imposed for the 2012/13 financial year.

Registered indigents will again be granted 50 kWh per 30-day period free of charge.

The following table shows the impact of the proposed increases in electricity tariffs on the water charges for domestic customers:

Table 9.1 Comparison between current electricity charges and increases (Prepaid)

Monthly consumption kWh	Current amount payable R	Proposed amount payable R	Difference (Decrease) R	Percentage change
100	115.00	113.00	2.00	0.02%
250	287.50	282.50	5.00	0.02%

Table 10.2 Comparison between current electricity charges and increases (Conventional)

Monthly consumption kWh	Current amount payable R	Proposed amount payable R	Difference (Decrease) R	Percentage change
100	97.00	113.00	16.00	16%
250	242.50	282.50	43.00	18%

It should further be noted that NERSA has advised that a stepped tariff structure needs to be implemented from 1 July 2012. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidize the lower consumption users (mostly the poor).

The municipality has opted to keep the status quo of their electricity tariff until the full costing is done to ensure that the municipality does not lose its limited revenue generated from electricity. The council will have to look at these tariffs when preparing the 2012/13 budget.

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 10 per cent for sanitation from 1 July 2012 is proposed. This is based on the input cost assumptions related to water.

The following table compares the current and proposed tariffs:

Table 11 Comparison between current sanitation charges and increases

Monthly sanitation kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
Dry sanitation	18.25	20.08	1.83	10%
Conservancy tanks – 5000 ℓ	108.24	135.31	27.07	25%
Conservancy tanks – 10 000 ℓ	194.01	242.51	48.50	25%
Sewer	50.80	55.88	5.08	10%

The actual cost calculated to deliver the service was R 261.30 versus the current tariff R108.24. The council then resolved to only impose a 25 per cent increase on the tariff and to phase in the actual tariff over a period.

The following table shows the impact of the proposed increases in sanitation tariffs on the sanitation charges for a single dwelling-house:

Table 12 Comparison between current sanitation charges and increases, single dwelling-houses

Monthly sanitation consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (11% increase) R
5	15,19	16,86	1,67
10	33,35	37,02	3,67
20	71,80	79,79	7,90
30	101,72	112,91	11,19
40	107,14	118,93	11,79
50	108,66	120,61	11,95
80	110,28	122,42	12,14
100	111,37	123,62	12,25

1.4.5 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration. Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of solid waste function be undertaken, and that this include investigating alternative service delivery models. The outcomes of this investigation will be incorporated into the next planning cycle.

A 10 per cent increase in the waste removal tariff is proposed from 1 July 2012. The council implemented different tariff structures for businesses as waste removal will now take place twice a week for medium and large businesses.

The following table compares current and proposed amounts payable from 1 July 2012:

Table 13 Comparison between current waste removal fees and increases

Monthly Waste Removal kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
Households	45.32	49.85	4.53	10.00%
Business – Small	0	293.00	293.00	100.00%
Business - Medium	204.31	590.00	385.69	189.00%
Business - Large	240.38	950.00	745.62	310.00%

1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Note that in all instances the overall impact of the tariff increases on household's bills has been kept to between 12 and 13 per cent, with the increase for indigent households closer to 12 per cent.

Table 14 MBRR Table SA14 – Household bills

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13 % incr.	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		1 045.98	1 666.30	1 809.14	384.20	384.20	384.20		855.10	906.41	1 042.37
Electricity: Basic levy		87.43	100.55	109.60	111.88	111.88	111.88		124.22	131.67	140.23
Electricity: Consumption		1 511.61	1 659.70	2 041.43	840.00	840.00	840.00		890.00	943.40	1 004.72
Water: Basic levy		-	-	-	-	-	-		10.00	10.59	11.28
Water: Consumption		2 776.32	262.63	302.02	327.70	327.70	327.70		380.10	402.53	428.69
Sanitation		40.34	43.16	47.04	44.56	44.56	44.56		65.00	68.84	72.97
Refuse removal		35.97	38.49	41.95	39.75	39.75	39.75		44.17	46.78	49.58
Other		-	-	-	-	-	-		-	-	-
sub-total		5 497.65	3 770.83	4 351.20	1 748.09	1 748.09	1 748.09	35.5%	2 368.59	2 510.21	2 749.84
VAT on Services		-	-	-	244.73	-	-		-	-	-
Total large household bill:		5 497.65	3 770.83	4 351.20	1 992.82	1 748.09	1 748.09	18.9%	2 368.59	2 510.21	2 749.84
% increase/-decrease			(31.4%)	15.4%	(54.2%)	(12.3%)	-		35.5%	6.0%	9.5%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		426.48	641.33	702.90	210.60	210.60	210.60		605.44	641.77	738.03
Electricity: Basic levy		87.43	100.55	109.60	-	-	-		-	-	-
Electricity: Consumption		674.40	538.41	662.24	493.02	493.02	493.02		550.00	583.00	620.90
Water: Basic levy		-	-	-	-	-	-		10.00	10.59	11.28
Water: Consumption		441.42	466.12	536.04	264.45	264.45	264.45		306.95	325.06	346.19
Sanitation		40.34	43.16	47.04	44.56	44.56	44.56		65.00	68.84	72.97
Refuse removal		35.97	38.49	41.95	39.75	39.75	39.75		44.17	46.78	49.58
Other		-	-	-	-	-	-		-	-	-
sub-total		1 706.04	1 828.06	2 099.78	1 052.38	1 052.38	1 052.38	50.3%	1 581.56	1 676.03	1 838.94
VAT on Services		-	-	-	147.33	-	-		-	-	-
Total small household bill:		1 706.04	1 828.06	2 099.78	1 199.71	1 052.38	1 052.38	31.8%	1 581.56	1 676.03	1 838.94
% increase/-decrease			7.2%	14.9%	(42.9%)	(12.3%)	-		50.3%	6.0%	9.7%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		213.85	489.55	536.63	25.62	25.62	25.62	#NAME?	355.77	377.12	433.68
Electricity: Basic levy		87.43	100.55	109.60	-	-	-	#NAME?	-	-	-
Electricity: Consumption		295.25	264.34	325.14	57.60	57.60	57.60	#NAME?	46.50	49.29	52.49
Water: Basic levy		17.28	-	-	-	-	-	#NAME?	-	-	-
Water: Consumption		52.36	93.96	108.05	50.40	50.40	50.40	#NAME?	163.66	173.32	184.58
Sanitation		35.97	22.34	24.35	24.69	24.69	24.69	#NAME?	30.40	32.19	34.13
Refuse removal		-	38.49	41.95	39.75	39.75	39.75	#NAME?	44.17	46.78	49.58
Other		-	-	-	-	-	-		-	-	-
sub-total		702.14	1 009.23	1 145.72	198.06	198.06	198.06	223.4%	640.50	678.69	754.47
VAT on Services		-	-	-	27.72	-	-		-	-	-
Total small household bill:		702.14	1 009.23	1 145.72	225.78	198.06	198.06	183.7%	640.50	678.69	754.47
% increase/-decrease			43.7%	13.5%	(80.3%)	(12.3%)	-		223.4%	6.0%	11.2%

1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2012/13 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services.

The following table is a high level summary of the 2012/13 budget and MTREF (classified per main type of operating expenditure):

Table 15 Summary of operating expenditure by standard classification item

Expenditure - Standard										
<i>Governance and administration</i>		16 677	33 417	28 857	36 977	40 408	40 408	46 946	49 434	51 856
Executive and council		4 858	12 299	10 894	12 974	14 769	14 769	14 830	15 616	16 381
Budget and treasury office		6 530	13 165	8 017	16 135	15 942	15 942	22 079	23 249	24 389
Corporate services		5 289	7 953	9 946	7 868	9 697	9 697	10 036	10 568	11 086
<i>Community and public safety</i>		30 251	20 586	8 380	10 528	10 305	10 305	12 582	13 290	13 941
Community and social services		5 716	4 785	3 276	6 145	5 400	5 400	4 559	4 828	5 064
Sport and recreation		1 545	1 848	1 152	593	514	514	2 316	2 453	2 573
Public safety		2 687	3 248	3 765	3 790	4 365	4 365	5 669	5 970	6 262
Housing		20 303	10 704	-	-	-	-	-	-	-
Health		-	-	187	-	26	26	38	40	42
<i>Economic and environmental services</i>		11 485	10 416	6 421	8 809	11 652	11 652	17 663	18 705	19 622
Planning and development		608	692	-	-	-	-	-	-	-
Road transport		10 678	9 460	6 421	8 572	11 652	11 652	17 663	18 705	19 622
Environmental protection		199	264	-	237	-	-	-	-	-
<i>Trading services</i>		56 134	68 361	72 195	93 674	95 840	95 840	109 011	114 789	120 414
Electricity		29 778	33 321	38 874	50 107	51 980	51 980	56 643	59 645	62 567
Water		13 576	20 784	19 855	23 914	24 348	24 348	30 501	32 117	33 691
Waste water management		7 664	8 538	6 356	10 536	9 427	9 427	11 521	12 131	12 726
Waste management		5 116	5 719	7 111	9 116	10 086	10 086	10 347	10 896	11 430
<i>Other</i>	4	1 703	838	195	546	574	574	657	692	726
Total Expenditure - Standard	3	116 250	133 618	116 049	150 535	158 779	158 779	186 859	196 910	206 559

The budgeted allocation for employee related costs for the 2012/2013 financial year totals R 65 million, which equals 34.6 per cent of the total operating expenditure. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 8 per cent for the 2012/13 financial year. An annual increase of 5.3 per cent and 6.3 per cent has been included in the two outer years of the MTREF. As part of the Municipality's cost reprioritization and cash management strategy vacancies have been significantly rationalized downwards. The municipality is face with the challenge of minimizing the monetary value attach to overtime payment by requesting employees who worked overtime to take leave.

The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate

asset consumption. Budget appropriations in this regard total R9 million for the 2012/13 financial and equates to 4.9 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 1 per cent (R1.5 million) of operating expenditure excluding annual redemption for 2012/13 and increases to R1.58 million by 2013/14. As previously noted, the Municipality has reached its prudential limits for borrowing – hence the planned borrowing to finance the capital budget does not result in finance charges as a percentage of operational expenditure increasing – rather it is kept close to 4 per cent over the MTREF.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Sedibeng Water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Other material comprises of amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals. In line with the Municipality's repairs and maintenance plan this group of expenditure has been prioritized to ensure sustainability of the Municipality's infrastructure.

Contracted services have been identified as a cost saving area for the Municipality. As part of the compilation of the 2012/13 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2012/13 financial year, this group of expenditure totals R567 thousand and has escalated by just 17.8 per cent, clearly demonstrating the application of cost efficiencies. For the two outer years growth has been limited to 5.3 and 4.6 per cent. As part of the process of identifying further cost efficiencies, a business process reengineering project will commence in the 2012/13 financial year to identify alternative practices and procedures, including building in-house capacity for certain activities that are currently being contracted out. The outcome of this exercise will be factored into the next budget cycle and it is envisaged that additional cost savings will be implemented. Further details relating to contracted services can be seen in Table 64 MBRR SA1 (see page 100).

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. There has been of 15.7 for 2012/13 5.3 and 4.9 per cent for the two outer years, indicating that significant cost savings have been already realized. Further details relating to contracted services can be seen in Table 64 MBRR SA1 (see page 100).

The following table gives a breakdown of the main expenditure categories for the 2012/13 financial year.

Total Operating Expenditure	Budget 2012/13
Employee related costs	64 647 717
Remuneration of councillors	4 289 030
Depreciation & asset impairment	9 110 610
Finance charges	1 504 112
Bulk purchases	68 547 206
Contracted services	566 856
Other expenditure	38 193 745
Total Expenditure	186 859 276

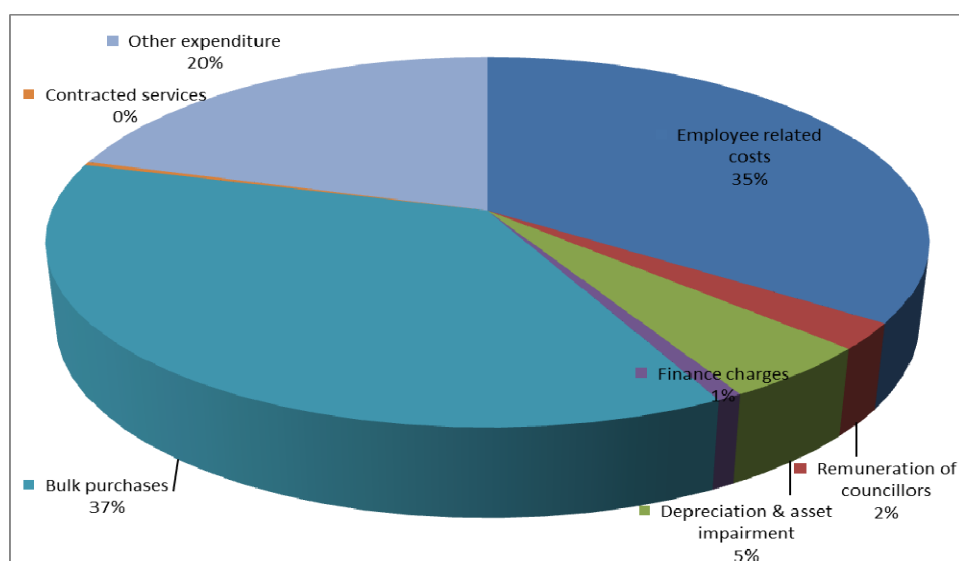


Figure 1 Main operational expenditure categories for the 2012/13 financial year

1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2012/13 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the Municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Table 16 Operational repairs and maintenance

Description	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Repair & Maintenance by Expenditure Item										
Employee Related Cost										
Other materials	10 669	7 037	-	9 048	-	-		11 280	11 957	12 734
Contracted Service										
Total Repair & Maintenance Expenditure	10 669	7 037	-	9 048	-	-	-	11 280	11 957	12 734

During the compilation of the 2012/13 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure and historic deferred maintenance. The total allocation for 2012/13 equates to R11.28 million a growth of 24.66 per cent in relation to the Original Budget and continues to grow at 6 and 6.4 per cent over the MTREF.

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

Table 17 Repairs and maintenance per asset class

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Depreciation & asset impairment	11 206	12 708	1 261	8 853	-	-	7 103	7 529	8 019
Repairs and Maintenance by Asset Class	10 669	7 037	-	9 048	-	-	11 280	11 957	12 734
Infrastructure - Road transport	1 502	674	-	500	-	-	2 000	2 120	2 258
Infrastructure - Electricity	2 008	1 003	-	803	-	-	-	-	-
Infrastructure - Water	1 328	747	-	1 408	-	-	2 850	3 021	3 217
Infrastructure - Sanitation	948	966	-	739	-	-	2 000	2 120	2 258
Infrastructure - Other	-	-	-	-	-	-	4 430	4 696	5 001
Infrastructure	5 786	3 390	-	3 450	-	-	11 280	11 280	11 280
Community	42	1	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	4 842	3 645	-	5 598	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS	21 876	19 744	1 261	17 901	-	-	18 383	19 486	20 753

For the 2012/13 financial year, 11.28 million of total repairs and maintenance will be spent on infrastructure assets. Other infrastructure has received a significant proportion of this allocation totaling 39.27 per cent (R 4.4 million), followed by water infrastructure at 25.26 per cent (R 2.8 million), road transport at 17.73 per cent (R 2 million) and sanitation at 17.73 per cent (R 2 million).

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The target is to register 5 000 or more indigent households during the 2012/13 financial year, a process reviewed annually. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement) on page 27.

1.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 18 2012/13 Medium-term capital budget per vote

Vote Description		2012/13 Medium Term Revenue & Expenditure		
R thousand	Adjusted Budget	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Vote 4 - Community Services: Commu	7 556 475		-	-
Vote 6 - Electrical Engineering Services	9 949 000	23 000 000	2 000 000	8 000 000
Vote 7 - Infrastructure, Engineering & T	12 448 299	21 558 000	16 971 000	17 952 000
Total Capital Expenditure - Standard	29 954 000	44 558 000	18 971 000	25 952 000

For 2012/13 an amount of R21.6 million has been appropriated for the development of infrastructure which represents 48.4 per cent of the total capital budget. In the outer years this amount totals R16.9 million, 88.9 per cent and R17.6 million, 69.2 per cent respectively for each of the financial years. Electrical Engineering Services receives the highest allocation of R23 million in 2012/13 which equates to 51.6 per cent followed by Infrastructure, Engineering, & Technical Services at 48.3 per cent.

Total new assets represent 26.8 per cent or R11 936 million of the total capital budget while asset renewal equates to 46.5 per cent or R32 622 million. Further detail relating to asset classes and proposed capital expenditure is contained in Table 26 MBRR A9 (Asset Management) on page 26. In addition to the MBRR Table A9, MBRR Tables SA34a, b, c provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class (refer to pages 88, 89 and 90). Some of the salient projects to be undertaken over the medium-term includes, amongst others:

1.6.1 Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital programme have been included in Table 61 MBRR SA35 on page 80.

1.7 Annual Budget Tables

The following eighteen pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2012/13 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

NC062 Nama Khoi - Table A1 Budget Summary

Description R thousands	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<u>Financial Performance</u>										
Property rates	19,731	20,458	22,517	22,326	20,693	20,693	–	31,128	32,127	33,701
Service charges	40,809	52,313	60,561	73,626	76,963	76,963	–	83,635	88,067	92,383
Investment revenue	1,306	554	723	490	684	684	–	485	511	536
Transfers recognised - operational	18,104	65,706	27,291	32,358	33,531	33,531	–	36,302	38,226	40,099
Other own revenue	10,240	14,652	7,687	8,248	13,101	13,101	–	2,626	2,765	2,900
Total Revenue (excluding capital transfers and contributions)	90,191	153,683	118,779	137,048	144,972	144,972	–	154,176	161,696	169,619
Employee costs	32,914	37,834	41,029	44,471	51,617	51,617	–	64,648	68,074	71,410
Remuneration of councillors	3,311	3,581	3,715	3,998	–	–	–	4,289	4,516	4,738
Depreciation & asset impairment	11,206	12,708	1,261	8,853	–	–	–	9,111	9,593	10,064
Finance charges	2,797	2,779	2,462	5,535	1,105	1,105	–	1,504	1,584	1,661
Materials and bulk purchases	46,670	39,920	46,856	60,565	59,985	59,985	–	68,547	72,180	75,717
Transfers and grants	–	13,569	19	–	–	–	–	–	–	–
Other expenditure	19,352	23,775	20,706	27,114	46,073	46,073	–	38,761	40,815	42,815
Total Expenditure	116,250	134,165	116,049	150,535	158,779	158,779	–	186,859	196,763	206,404
Surplus/(Deficit)	(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	–	(32,683)	(35,067)	(36,785)
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	–	(32,683)	(35,067)	(36,785)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	–	(32,683)	(35,067)	(36,785)
<u>Capital expenditure & funds sources</u>										
Capital expenditure	–	–	–	50,598	29,954	29,954	–	44,558	18,971	25,952
Transfers recognised - capital	–	–	–	22,698	24,644	24,644	–	44,558	18,971	25,952
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	27,900	5,310	5,310	–	–	–	–

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Internally generated funds	-	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	-	-	50,598	29,954	29,954	-	44,558	18,971	25,952
<u>Financial position</u>										
Total current assets	24,636	31,135	45,021	26,160	26,160	26,160	26,160	95,769	99,287	113,223
Total non current assets	342,917	366,731	371,892	433,865	433,865	433,718	433,718	439,400	482,951	530,834
Total current liabilities	26,518	36,769	45,677	26,550	19,010	19,010	19,010	18,204	12,189	11,887
Total non current liabilities	23,673	23,669	25,953	54,642	54,642	54,642	54,642	29,078	2,181	2,290
Community wealth/Equity	317,362	337,427	345,284	378,833	378,833	378,833	378,833	-	-	-
<u>Cash flows</u>										
Net cash from (used) operating	4,966	44,849	13,846	24,473	24,473	24,473	24,473	45,456	45,191	60,559
Net cash from (used) investing	(5,412)	(36,139)	(1,321)	(50,408)	30,144	30,144	30,144	(67,370)	(18,971)	(25,952)
Net cash from (used) financing	(2,131)	(868)	(2,032)	24,450	-	-	-	23,912	(2,928)	(2,776)
Cash/cash equivalents at the year end	4,819	12,661	23,153	7,260	54,617	54,617	54,617	1,998	25,290	57,121
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	4,819	9,068	15,846	7,260	7,260	7,260	7,260	8,640	9,640	10,622
Application of cash and investments	(3,442)	2,975	(7,890)	(12,354)	(10,983)	(10,983)	10,800	(100,644)	(119,651)	(145,880)
Balance - surplus (shortfall)	8,261	6,093	23,736	19,614	18,243	18,243	(3,540)	109,284	129,291	156,502
<u>Asset management</u>										
Asset register summary (WDV)	335,894	366,310	183	433,815	388,915	388,768	388,804	388,804	388,824	388,868
Depreciation & asset impairment	11,206	12,708	1,261	8,853	-	-	9,111	9,111	9,593	10,064
Renewal of Existing Assets	5,900	30,864	22,279	36,715	-	-	-	-	-	-
Repairs and Maintenance	10,669	7,037	-	9,048	-	-	11,280	11,280	-	-
<u>Free services</u>										
Cost of Free Basic Services provided	258	390	390	774	774	774	7,912	7,912	8,861	9,859
Revenue cost of free services provided	1,218	1,410	1,410	828	828	828	10,028	10,028	11,172	12,378
<u>Households below minimum service level</u>										
Water:	-	-	0	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	1	4	4	4	0	0	-	-
Energy:	-	-	2	-	-	-	-	-	-	-
Refuse:	-	-	1	-	-	-	-	-	-	-

Table 19 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

NC062 Nama Khoi - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue - Standard										
<i>Governance and administration</i>		35,791	45,506	48,251	49,924	58,305	58,305	62,906	66,240	69,486
Executive and council		1,346	3,755	432	91	932	932	217	228	240
Budget and treasury office		34,179	40,580	46,829	49,618	55,800	55,800	61,549	64,811	67,987
Corporate services		267	1,171	990	215	1,573	1,573	1,140	1,201	1,260
<i>Community and public safety</i>		25,207	16,798	3,146	6,420	6,355	6,355	5,967	6,283	6,591
Community and social services		2,458	3,203	933	2,534	1,747	1,747	873	920	965
Sport and recreation		132	914	139	1,539	2,338	2,338	2,825	2,975	3,121
Public safety		2,315	1,979	2,074	2,347	2,270	2,270	2,268	2,388	2,505
Housing		20,302	10,702	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		33	31	91	6,099	2,859	2,859	41	43	46
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		26	25	91	6,095	2,847	2,847	31	33	34
Environmental protection		7	6	-	4	12	12	10	11	11
<i>Trading services</i>		51,411	90,661	67,142	96,784	76,963	76,963	84,769	89,262	93,636
Electricity		27,772	58,211	39,285	58,499	46,529	46,529	50,484	53,160	55,764
Water		14,162	22,641	16,955	26,717	17,193	17,193	19,142	20,157	21,145
Waste water management		4,099	4,195	4,816	5,127	6,848	6,848	7,471	7,867	8,253
Waste management		5,378	5,614	6,087	6,441	6,393	6,393	7,672	8,078	8,474
<i>Other</i>	4	1,388	687	148	518	491	491	492	519	544
Total Revenue - Standard	2	113,831	153,683	118,779	159,746	144,972	144,972	154,176	162,347	170,302
Expenditure - Standard	-									
<i>Governance and administration</i>		16,677	33,417	28,857	36,977	40,408	40,408	46,946	49,434	51,856
Executive and council		4,858	12,299	10,894	12,974	14,769	14,769	14,830	15,616	16,381
Budget and treasury office		6,530	13,165	8,017	16,135	15,942	15,942	22,079	23,249	24,389
Corporate services		5,289	7,953	9,946	7,868	9,697	9,697	10,036	10,568	11,086
<i>Community and public safety</i>		30,251	20,586	8,380	10,528	10,305	10,305	12,582	13,290	13,941
Community and social services		5,716	4,785	3,276	6,145	5,400	5,400	4,559	4,828	5,064

Sport and recreation		1,545	1,848	1,152	593	514	514	2,316	2,453	2,573
Public safety		2,687	3,248	3,765	3,790	4,365	4,365	5,669	5,970	6,262
Housing		20,303	10,704	-	-	-	-	-	-	-
Health		-	-	187	-	26	26	38	40	42
Economic and environmental services		11,485	10,416	6,421	8,809	11,652	11,652	17,663	18,705	19,622
Planning and development		608	692	-	-	-	-	-	-	-
Road transport		10,678	9,460	6,421	8,572	11,652	11,652	17,663	18,705	19,622
Environmental protection		199	264	-	237	-	-	-	-	-
Trading services		56,134	68,361	72,195	93,674	95,840	95,840	109,011	114,789	120,414
Electricity		29,778	33,321	38,874	50,107	51,980	51,980	56,643	59,645	62,567
Water		13,576	20,784	19,855	23,914	24,348	24,348	30,501	32,117	33,691
Waste water management		7,664	8,538	6,356	10,536	9,427	9,427	11,521	12,131	12,726
Waste management		5,116	5,719	7,111	9,116	10,086	10,086	10,347	10,896	11,430
Other	4	1,703	838	195	546	574	574	657	692	726
Total Expenditure - Standard	3	116,250	133,618	116,049	150,535	158,779	158,779	186,859	196,910	206,559
Surplus/(Deficit) for the year		(2,419)	20,065	2,730	9,211	(13,806)	(13,806)	(32,683)	(34,563)	(36,256)

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

Table 20 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

NC062 Nama Khoi - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<u>Revenue by Vote</u>	1									
Vote 1 - Municipal Manager		21,648	14,457	432	91	932	932	217	228	240
Vote 2 - Financial Services		34,179	40,580	46,829	49,618	55,800	55,800	61,549	64,811	67,987
Vote 3 - Corporate Services		1,009	2,143	990	985	1,573	1,573	1,140	1,201	1,260
Vote 4 - Community Services: Community Development		8,620	9,451	7,306	10,268	10,982	10,982	11,873	12,502	13,115
Vote 5 - Community Services: Public Safety		2,317	1,981	2,074	2,347	2,270	2,270	2,268	2,388	2,505
Vote 6 - Electrical Engineering Services		27,772	58,211	39,285	58,499	46,529	46,529	50,484	53,160	55,764
Vote 7 - Infrastructure, Engineering & Technical Services		18,287	26,860	21,862	37,939	26,886	26,886	26,645	28,057	29,432
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	113,831	153,683	118,779	159,746	144,972	144,972	154,176	162,347	170,302
<u>Expenditure by Vote to be appropriated</u>	1									
Vote 1 - Municipal Manager		25,839	23,752	10,894	13,063	14,769	14,769	14,830	15,616	16,381
Vote 2 - Financial Services		6,530	13,165	8,017	16,135	15,942	15,942	22,079	23,249	24,389
Vote 3 - Corporate Services		6,276	8,824	9,946	8,932	9,697	9,697	10,036	10,568	11,086
Vote 4 - Community Services: Community Development		13,199	12,498	11,921	15,481	16,601	16,601	17,917	18,867	19,791
Vote 5 - Community Services: Public Safety		2,733	3,333	3,765	3,794	4,365	4,365	5,669	5,970	6,262
Vote 6 - Electrical Engineering Services		29,777	33,321	38,874	50,107	51,980	51,980	56,643	59,645	62,567
Vote 7 - Infrastructure, Engineering & Technical Services		31,895	38,724	32,632	43,023	45,426	45,426	59,685	62,848	65,928
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-

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		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	116,250	133,618	116,049	150,535	158,779	158,779	186,859	196,763	206,404
Surplus/(Deficit) for the year	2	(2,419)	20,065	2,730	9,211	(13,807)	(13,807)	(32,683)	(34,415)	(36,102)

References

1. Insert 'Vote'; e.g. department, if different to standard classification structure

2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)

3. Assign share in 'associate' to relevant Vote

Table 21 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)NC062 Nama Khoi - Table A4 Budgeted Financial Performance
(revenue and expenditure)

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source											
Property rates	2	19,731	20,096	22,061	21,858	20,693	20,693	-	30,510	32,127	33,701
Property rates - penalties & collection charges			362	456	468	-	-		618		
Service charges - electricity revenue	2	26,288	30,000	35,192	46,700	46,529	46,529	-	49,856	52,499	55,071
Service charges - water revenue	2	10,386	13,588	15,392	20,703	17,193	17,193	-	18,716	19,708	20,673
Service charges - sanitation revenue	2	3,924	4,832	5,449	5,228	6,848	6,848	-	5,743	6,048	6,344
Service charges - refuse revenue	2	212	3,892	4,528	995	6,393	6,393	-	7,672	8,078	8,474
Service charges - other						-	-		1,648	1,735	1,820
Rental of facilities and equipment		998	1,221	1,041	1,143	867	867		1,260	1,327	1,392
Interest earned - external investments		1,306	554	723	490	684	684		485	511	536
Interest earned - outstanding debtors		913	779	1,003	939	600	600		1,224	1,289	1,353
Dividends received						-	-			-	-
Fines		443	177	178	244	7	7		88	93	97
Licences and permits		879	902	1,011	1,215	358	358		1,254	1,320	1,385
Agency services		1,080	939	942	1,011	1,114	1,114		1,206	1,270	1,332
Transfers recognised - operational		18,104	65,706	27,291	32,358	33,531	33,531		36,302	38,226	40,099
Other revenue	2	5,927	10,634	3,512	3,696	10,156	10,156	-	(2,407)	(2,534)	(2,658)
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		90,191	153,683	118,779	137,048	144,972	144,972	-	154,176	161,696	169,619
Expenditure By Type											
-											

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Employee related costs	2	32,914	37,834	41,029	44,471	51,617	51,617	-	64,648	68,074	71,410
Remuneration of councillors		3,311	3,581	3,715	3,998	-	-		4,289	4,516	4,738
Debt impairment	3	(1,417)	2,191	1,300	1,381	1,381	1,381				
Depreciation & asset impairment	2	11,206	12,708	1,261	8,853	-	-	-	9,111	9,593	10,064
Finance charges		2,797	2,779	2,462	5,535	1,105	1,105		1,504	1,584	1,661
Bulk purchases	2	25,767	39,920	46,856	59,985	59,985	59,985	-	68,547	72,180	75,717
Other materials	8	20,902			580		-				
Contracted services		308	983	843	447	481	481	-	567	597	626
Transfers and grants		-	13,569	19	-	-	-	-	-	-	-
Other expenditure	4, 5	20,461	20,602	18,564	25,287	44,211	44,211	-	38,194	40,218	42,189
Loss on disposal of PPE											
Total Expenditure		116,250	134,165	116,049	150,535	158,779	158,779	-	186,859	196,763	206,404
Surplus/(Deficit)		(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	-	(32,683)	(35,067)	(36,785)
Transfers recognised - capital											
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	-	(32,683)	(35,067)	(36,785)
Taxation											
Surplus/(Deficit) after taxation		(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	-	(32,683)	(35,067)	(36,785)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	-	(32,683)	(35,067)	(36,785)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(26,059)	19,518	2,730	(13,487)	(13,807)	(13,807)	-	(32,683)	(35,067)	(36,785)

Table 22 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

NC062 Nama Khoi - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<u>Capital expenditure - Vote</u>											
<u>Multi-year expenditure to be appropriated</u>	2										
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 2 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	25,000	3,000	3,000	-	-	-	-
Vote 4 - Community Services: Community Development		-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services: Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 6 - Electrical Engineering Services		-	-	-	-	-	-	-	23,000	2,000	8,000
Vote 7 - Infrastructure, Engineering & Technical Services		-	-	-	11,883	4,673	4,673	-	20,558	16,971	17,952
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	36,883	7,673	7,673	-	43,558	18,971	25,952
<u>Single-year expenditure to be appropriated</u>	2										
Vote 1 - Municipal Manager		204	643	-	-	-	-	-	-	-	-
Vote 2 - Financial Services		648	850	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		577	1,234	-	2,000	-	-	-	-	-	-
Vote 4 - Community Services: Community Development		292	533	-	1,380	4,556	4,556	-	-	-	-

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Vote 5 - Community Services: Public Safety	29	8	-	-	-	-	-	-	-	-	-
Vote 6 - Electrical Engineering Services	369	23,300	-	10,335	9,949	9,949	-	-	-	-	-
Vote 7 - Infrastructure, Engineering & Technical Services	3,345	10,885	-	-	7,775	7,775	-	1,000	-	-	-
Vote 8 - [NAME OF VOTE 8]	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	5,463	37,452	-	13,715	22,281	22,281	-	1,000	-	-	-
Total Capital Expenditure - Vote	5,463	37,452	-	50,598	29,954	29,954	-	44,558	18,971	25,952	
Capital Expenditure - Standard											
<i>Governance and administration</i>	-	-	-	2,000	-	-	-	-	-	-	-
Executive and council						-					
Budget and treasury office						-					
Corporate services				2,000		-					
<i>Community and public safety</i>	-	-	-	26,380	7,557	7,557	-	-	-	-	-
Community and social services				25,000	3,400	3,400					
Sport and recreation				1,380	4,157	4,157					
Public safety					-	-					
Housing					-	-					
Health					-	-					
<i>Economic and environmental services</i>	-	-	-	6,017	4,744	4,744	-	1,000	-	-	-
Planning and development					-	-					
Road transport				6,017	4,744	4,744		1,000			
Environmental protection					-	-					
<i>Trading services</i>	-	-	-	16,201	17,653	17,653	-	43,558	18,971	25,952	
Electricity				10,335	9,949	9,949		23,000	2,000	8,000	
Water				5,866	2,929	2,929					
Waste water management					4,775	4,775		20,558	16,971	17,952	

Waste management <i>Other</i>											
Total Capital Expenditure - Standard	3	-	-	-	50,598	29,954	29,954	-	44,558	18,971	25,952
Funded by:											
National Government					22,698	24,644	24,644		44,558	18,971	25,952
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	-	-	-	22,698	24,644	24,644	-	44,558	18,971	25,952
Public contributions & donations	5										
Borrowing	6				27,900	5,310	5,310				
Internally generated funds											
Total Capital Funding	7	-	-	-	50,598	29,954	29,954	-	44,558	18,971	25,952

Table 23 MBRR Table A6 - Budgeted Financial Position

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
ASSETS											
Current assets											
Cash		161	1 708	21 142	2 260				18	18	
Call investment deposits	1	4 658	7 359	–	5 000	–	–	–	8 622	9 622	10 622
Consumer debtors	1	12 125	14 578	20 653	17 600	–	–	–	87 129	89 647	102 601
Other debtors		5 497	6 619	1 470	300						
Current portion of long-term receivables		277	178	27	190						
Inventory	2	1 918	692	1 730	810						
Total current assets		24 636	31 135	45 021	26 160	–	–	–	95 769	99 287	113 223
Non current assets											
Long-term receivables		597	421	561	51						
Investments											
Investment property		169	163	163	147						
Investment in Associate											
Property, plant and equipment	3	342 148	366 128	371 148	433 650	–	–	–	439 400	482 951	530 834
Agricultural											
Biological											
Intangible		3	19	19	18						
Other non-current assets											
Total non current assets		342 917	366 731	371 892	433 865	–	–	–	439 400	482 951	530 834
TOTAL ASSETS		367 553	397 866	416 914	460 025	–	–	–	535 169	582 238	644 057
LIABILITIES											
Current liabilities											
Bank overdraft	1			5 296							
Borrowing	4	2 511	2 505	–	3 500	–	–	–	2 919	3 064	3 218
Consumer deposits		1 068	1 260	1 321	1 410						
Trade and other payables	4	17 406	26 540	13 513	14 100	–	–	–	15 285	9 125	8 669
Provisions		5 533	6 465	25 547	7 540						
Total current liabilities		26 518	36 769	45 677	26 550	–	–	–	18 204	12 189	11 887
Non current liabilities											
Borrowing		8 730	7 689	5 168	29 424	–	–	–	27 000	–	–
Provisions		14 943	15 980	20 785	25 217	–	–	–	2 078	2 181	2 290
Total non current liabilities		23 673	23 669	25 953	54 642	–	–	–	29 078	2 181	2 290
TOTAL LIABILITIES		50 191	60 439	71 629	81 192	–	–	–	47 282	14 370	14 177
NET ASSETS	5	317 362	337 427	345 284	378 833	–	–	–	487 887	567 868	629 880
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		294 807	312 073	319 929	354 779				397 669	37 867	400 141
Reserves	4	22 555	25 355	25 355	24 055	–	–	–	–	–	–
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	317 362	337 427	345 284	378 833	–	–	–	397 669	37 867	400 141

Table 24 MBRR Table A7 - Budgeted Cash Flow Statement

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		80 992	84 800	85 638	134 401				160 571	176 628	194 290
Government - operating	1	42 886	59 505	46 158	32 358				35 944	37 849	40 795
Government - capital	1				22 698				27 758	18 971	25 952
Interest		2 219	1 333	1 726	1 428				532	558	586
Dividends									-		
Payments											
Suppliers and employees		(119 813)	(98 010)	(117 214)	(160 878)				(175 809)	(187 236)	(199 406)
Finance charges		(1 318)	(2 779)	(2 462)	(5 535)				(1 504)	(1 579)	(1 658)
Transfers and Grants	1								(2 034)		
NET CASH FROM/(USED) OPERATING ACTIVITIES		4 966	44 849	13 846	24 473	-	-	-	45 456	45 191	60 559
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			(36 404)	(1 331)					200	-	-
Decrease (Increase) in non-current debtors		53	275		190						
Decrease (Increase) other non-current receivables			(17)	10							
Decrease (Increase) in non-current investments			6	(0)							
Payments											
Capital assets		(5 465)			(50 598)				(67 570)	(18 971)	(25 952)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(5 412)	(36 139)	(1 321)	(50 408)	-	-	-	(67 370)	(18 971)	(25 952)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-		
Borrowing long term/refinancing					27 900				27 000		
Increase (decrease) in consumer deposits			192	61	50				55	57	60
Payments											
Repayment of borrowing		(2 131)	(1 060)	(2 094)	(3 500)				(3 143)	(2 985)	(2 836)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(2 131)	(868)	(2 032)	24 450	-	-	-	23 912	(2 928)	(2 776)
NET INCREASE/ (DECREASE) IN CASH HELD		(2 577)	7 842	10 493	(1 485)	-	-	-	1 998	23 292	31 831
Cash/cash equivalents at the year begin:	2	7 396	4 819	12 661	8 745				4 882	6 880	30 172
Cash/cash equivalents at the year end:	2	4 819	12 661	23 153	7 260	-	-	-	6 880	30 172	62 003

Table 25 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash and investments available											
Cash/cash equivalents at the year end	1	4 819	12 661	23 153	7 260	63 362	63 362	63 362	6 880	30 172	62 003
Other current investments > 90 days		0	(3 593)	(7 308)	(0)	(56 102)	(56 102)	(56 102)	1 760	(20 532)	(51 381)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		4 819	9 068	15 846	7 260	7 260	7 260	7 260	8 640	9 640	10 622
Application of cash and investments											
Unspent conditional transfers		7 951	4 567	-	-	-	-	-	5 600	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2								3 330		
Other working capital requirements	3	(11 392)	(1 592)	(7 890)	(12 354)	(10 983)	(10 983)	10 800	(77 791)	(97 718)	(119 285)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		(3 442)	2 975	(7 890)	(12 354)	(10 983)	(10 983)	10 800	(68 861)	(97 718)	(119 285)
Surplus(shortfall)		8 261	6 093	23 736	19 614	18 243	18 243	(3 540)	77 501	107 358	129 907

Table 26 MBRR Table A9 - Asset Management

NC062 Nama Khoi - Table A9 Asset Management										
Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	5 463	37 452	–	13 883	–	–	11 936	–	–
Infrastructure - Road transport		392	785	–	6 017	–	–	1 745	–	–
Infrastructure - Electricity		289	23 208	–	5 866	–	–	–	–	–
Infrastructure - Water		2 766	5 418	–	–	–	–	2 745	–	–
Infrastructure - Sanitation		76	–	–	–	–	–	7 445	–	–
Infrastructure - Other		–	1 451	–	–	–	–	–	–	–
Infrastructure		3 524	30 862	–	11 883	–	–	11 936	–	–
Community		–	1 222	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	1 939	5 368	–	2 000	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
<u>Total Renewal of Existing Assets</u>	2	5 900	30 864	22 279	36 715	–	–	–	–	–
Infrastructure - Road transport		700	2 195	4 000	–	–	–	–	–	–
Infrastructure - Electricity		–	20 131	8 000	9 435	–	–	–	–	–
Infrastructure - Water		5 200	5 707	6 979	–	–	–	–	–	–
Infrastructure - Sanitation		–	293	–	–	–	–	–	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		5 900	28 326	18 979	9 435	–	–	–	–	–
Community		–	2 538	3 300	26 380	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	–	–	–	900	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
<u>Total Capital Expenditure</u>	4	1 092	2 980	4 000	6 017	–	–	1 745	–	–
Infrastructure - Road transport		289	43 338	8 000	15 301	–	–	–	–	–
Infrastructure - Electricity		7 966	11 125	6 979	–	–	–	2 745	–	–
Infrastructure - Water		76	293	–	–	–	–	7 445	–	–
Infrastructure - Sanitation		–	1 451	–	–	–	–	–	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		9 424	59 188	18 979	21 318	–	–	11 936	–	–
Community		–	3 760	3 300	26 380	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets		1 939	5 368	–	2 900	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class	2	11 363	68 316	22 279	50 598	–	–	11 936	–	–

ASSET REGISTER SUMMARY - PPE (WDV)	5									
<i>Infrastructure - Road transport</i>		108 898	105 976		98 110	109 980	109 980	109 989	109 998	110 014
<i>Infrastructure - Electricity</i>		36 446	58 283		71 068	66 296	66 296	66 325	66 326	66 334
<i>Infrastructure - Water</i>		76 916	80 230		90 675	87 212	87 212	87 212	87 213	87 213
<i>Infrastructure - Sanitation</i>		66 158	65 654		60 654	73 659	73 659	73 665	73 673	73 691
<i>Infrastructure - Other</i>		1 001	943		943	943	943	945	946	947
Infrastructure		289 419	311 085	-	321 449	338 090	338 090	338 136	338 156	338 199
Community		31 138	31 160		61 540					
Heritage assets										
Investment properties		169	163	163	147	147	-	-	-	-
Other assets		15 166	23 882		50 660	50 660	50 660	50 668	50 668	50 669
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		3	19	19	18	18	18	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	335 894	366 310	183	433 815	388 915	388 768	388 804	388 824	388 868
EXPENDITURE OTHER ITEMS										
<u>Depreciation & asset impairment</u>		11 206	12 708	1 261	8 853	-	-	9 111	9 593	10 064
<u>Repairs and Maintenance by Asset Class</u>	3	10 669	7 037	-	9 048	-	-	11 280	-	-
<i>Infrastructure - Road transport</i>		1 502	674	-	500	-	-	2 000	-	-
<i>Infrastructure - Electricity</i>		2 008	1 003	-	803	-	-	-	-	-
<i>Infrastructure - Water</i>		1 328	747	-	1 408	-	-	2 850	-	-
<i>Infrastructure - Sanitation</i>		948	966	-	739	-	-	2 000	-	-
<i>Infrastructure - Other</i>		-	-	-	-	-	-	4 430	-	-
Infrastructure		5 786	3 390	-	3 450	-	-	11 280	-	-
Community		42	1	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	4 842	3 645	-	5 598	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		21 876	19 744	1 261	17 901	-	-	20 391	9 593	10 064
<i>Renewal of Existing Assets as % of total capex</i>		51.9%	45.2%	100.0%	72.6%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		52.6%	242.9%	1766.3%	414.7%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>R&M as a % of PPE</i>		3.1%	1.9%	0.0%	2.1%	0.0%	0.0%	2.6%	0.0%	0.0%
<i>Renewal and R&M as a % of PPE</i>		5.0%	10.0%	12197.0%	11.0%	0.0%	0.0%	3.0%	0.0%	0.0%

Table 27 MBRR Table A10 - Basic Service Delivery Measurements**NC062 Nama Khoi - Table A10 Basic service delivery measurement**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Household service targets	1									
<u>Water:</u>										
Piped water inside dwelling				11,073	11,317	11,317	11,317	11,966	12,008	12,076
Piped water inside yard (but not in dwelling)				4,037	17	17	17	11	-	-
Using public tap (at least min.service level)	2			173		-	-			
Other water supply (at least min.service level)	4					-	-			
<i>Minimum Service Level and Above sub-total</i>		-	-	15,283	11,334	11,334	11,334	11,977	12,008	12,076
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4			298						
No water supply										
<i>Below Minimum Service Level sub-total</i>		-	-	298	-	-	-	-	-	-
Total number of households	5	-	-	15,581	11,334	11,334	11,334	11,977	12,008	12,076
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)				11,560	6,338	6,338	6,338	6,981	6,851	
Flush toilet (with septic tank)				581	190	190	190	1,220	1,248	
Chemical toilet				408	2,287	2,287	2,287	-		
Pit toilet (ventilated)				79		-	-	3,721	3,909	3
Other toilet provisions (> min.service level)				2,450		-	-			
<i>Minimum Service Level and Above sub-total</i>		-	-	15,078	8,815	8,815	8,815	11,922	12,008	3
Bucket toilet				79	4,000	4,000	4,000	55	20	
Other toilet provisions (< min.service level)				565		-				
No toilet provisions						-				
<i>Below Minimum Service Level sub-total</i>		-	-	644	4,000	4,000	4,000	55	20	-
Total number of households	5	-	-	15,722	12,815	12,815	12,815	11,977	12,028	3
<u>Energy:</u>										
Electricity (at least min.service level)				2,073		-	-			
Electricity - prepaid (min.service level)				11,702	8,589	8,589	8,589	8,996		
<i>Minimum Service Level and Above sub-total</i>		-	-	13,775	8,589	8,589	8,589	8,996	-	-

Electricity (< min.service level)	5									
Electricity - prepaid (< min. service level)										
Other energy sources				1,932						
<i>Below Minimum Service Level sub-total</i>		-	-	1,932	-	-	-	-	-	
Total number of households		-	-	15,707	8,589	8,589	8,589	8,996	-	-
<u>Refuse:</u>										
Removed at least once a week				14,529				11,284		
<i>Minimum Service Level and Above sub-total</i>		-	-	14,529	-	-	-	11,284	-	-
Removed less frequently than once a week				330						
Using communal refuse dump				79						
Using own refuse dump			628							
Other rubbish disposal			31							
No rubbish disposal			110							
<i>Below Minimum Service Level sub-total</i>		-	-	1,178	-	-	-	-	-	-
Total number of households	5	-	-	15,707	-	-	-	11,284	-	-
<u>Households receiving Free Basic Service</u>		7								
Water (6 kilolitres per household per month)		4,532	4,693	4,693	60	60	60	4,630	4,680	4,720
Sanitation (free minimum level service)		671	843	843	16	16	16	3,704	3,744	3,776
Electricity/other energy (50kwh per household per month)		4,532	4,693	4,693	42	42	42	3,704	3,744	3,776
Refuse (removed at least once a week)		3,861	3,850	3,850	39	39	39	-	-	-
<u>Cost of Free Basic Services provided (R'000)</u>		8								
Water (6 kilolitres per household per month)		111	204	204	92	92	92	3,820	4,401	4,973
Sanitation (free sanitation service)					219	219	219	1,997	2,130	2,278
Electricity/other energy (50kwh per household per month)		147	185	185	148	148	148	2,095	2,330	2,608
Refuse (removed once a week)					-	-	-			
Total cost of FBS provided (minimum social package)		258	390	390	774	774	774	7,912	8,861	9,859
<u>Highest level of free service provided</u>										
Property rates (R value threshold)					6	6	6	-		
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)					24	24	24	-		
Sanitation (Rand per household per month)					50	50	50	-		
Electricity (kwh per household per month)		50	50	50	85	85	85	50	50	50

Refuse (average litres per week)		240	240	240			-	240	240	240
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)		-	-	-	315	315	315	1,009	1,065	1,129
Property rates (other exemptions, reductions and rebates)		802	880	880	113	113	113			
Water		134	220	220	219	219	219	4,442	5,118	5,782
Sanitation		13	18	18	181	181	181	2,195	2,341	2,503
Electricity/other energy		147	162	162		-	-	2,382	2,648	2,964
Refuse		122	130	130		-	-			
Municipal Housing - rental rebates						-	-			
Housing - top structure subsidies	6					-	-			
Other						-	-			
Total revenue cost of free services provided (total social package)		1,218	1,410	1,410	828	828	828	10,028	11,172	12,378

Part 2 – Supporting Documentation

1.8 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Municipality did not have a Budget Steering Committee, however there was a budget team which consists of the all senior officials and middle management of the municipality meeting under the chairpersonship of the Municipal Manager. In the next budget cycle the budget Steering Committee will be established.

The primary aim of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of the municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritized in the allocation of resources.

1.8.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2010) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule in August 2010. Key dates applicable to the process were:

NAMA KHOI MUNICIPALITY PROCESS PLAN 2012- 2013

ACTIVITIES RELATED TO THE NEW BUDGET	IDP FOR THE NEXT YEAR	RESPONSIBILITY	DUE DATE
TIME SCHEDULES PLANNING			
Compilation of time schedules for the next budget cycle.		Head: Finance	July 2011
	Compilation of time schedules for the next IDP process.	Head: IDP/LED/Housing	July 2011
TIME SCHEDULES AND CONSULTATIONS			
Mayor submits new budget process and timeframes to the Council.	Mayor submits new IDP review process and timeframes to Council.	Mayor	August 2011
Advertisement (website, local newspapers and notice boards) of budget process and time schedules.	Advertisement (website, local newspapers and notice boards) of the new process, schedules and meetings of all forums and committees.	Municipal Manager	Within 5 days after submission to the Council
Ensure linkages of consultation of both the budget and IDP process take place.	Ensure linkages of consultation of both the budget and IDP process take place.	Mayor	Continuous process
Review all external mechanisms to ensure that all possible changes with agreements, which may have an impact on the next budget, are considered.		Municipal Manager	September 2011

PERFORMANCE AND FINANCIAL CAPACITY			
Based on the financial statements of the previous year and the results of performance investigations consider the financial position and capacity of the Municipality to determine the impact thereof on future strategies and budgets.	Review the performance of the IDP for the past year and consult with the community on performance and changes in needs (Steering Committee and IDP Rep Forum)	Head: IDP/LED/Housing Head: Finance	1 Oct– 21 Nov 2011 September 2011
LONG TERM PLANNING			
<p>In consultation with the Executive Committee, determine future priority areas for the Municipality to guide the budget allocations and IDP plans.</p> <p>Confirm present policy priorities and compile new policy priorities for the next three years.</p> <p>Executive Committee approves the policy directions and priority areas.</p> <p>Identify all factors, which may have an impact on future budgets and determine broad financial frameworks.</p> <p>Determine possible income/funding, which may become available for the next three years.</p> <p>Determine the most likely outcome and identify any needs for changes towards fiscal strategies.</p> <p>Refine income and funding policies, included tariff</p>	In consultation with the Executive Committee update the future directions, strategies and priorities for the next 3 to 5 years (Incorporate the feedback from the community)	Mayor 	

structures. Prepare the initial allocations based on the financial capacity and the most likely future financial outcome. Executive Committee discusses the desire income, objectives, priorities and outputs for the next three years.	Executive Committee discusses the desire outcome, objectives, priorities and outputs for the next three years.		
CONSULTATION WITH OTHER AUTHORITIES			
Municipality derives inputs from National and Provincial Government and other bodies about factors which may influence the budget.		Municipal Manager	December 2011
Advertisement of requests for funding transfers to organizations outside the government spheres.		Municipal Manager	December 2011
PREPARATION OF DRAFTS		All Managers/Heads	31 January 2012
Preparation of draft IDP and capital and operational plans with costs and income projections. Incorporate in the first SDBIP. Preparation of projections of functional allocations based on past performance and adjusts with known factors, known obligations and asset maintenance requirements. Adjust plans to establish link with available resources and policy priorities. Finalization of preliminary options for the IDP and budget for the next three years. Consider the impact on tariffs and consumers levies	Integrated with the IDP, including the update of budget frameworks		
PRIORITY DETERMINATION			
Consult Executive Committee about the preliminary		All Managers and Heads	February 2012

<p>budget, tariff adjustments and IDP medium term proposals.</p> <p>Executive Committee discusses the preliminary budget, tariff adjustments and IDP proposals in consideration with the priorities and objectives which are included in the medium term proposals.</p> <p>Go ahead with the finalization of the detailed operational plans and budgets.</p> <p>Incorporate the objectives and operational plans in the draft Service Delivery and Budget Implementation Plan.</p> <p>National and Provincial accountancy officials finalize any adjustments towards the projected allocations for the next three years no later than their own budgets.</p>	Go ahead with the finalization of the detailed plans.	<p>Executive Committee and Management</p> <p>All Managers and Heads</p> <p>All Managers and Heads</p> <p>National and Provincial</p>	<p>February 2012</p> <p>February 2012</p> <p>February 2012</p> <p>February 2012</p>
FINALISATION OF DRAFTS			
<p>Finalization of detailed draft budget for the next three years in accordance with the prescribed format.</p> <p>Incorporate the draft budget proposals and monthly projections of Income, Expenditure, Capital and of Income per Source in the draft Service Delivery and Budget Implementation Plan.</p> <p>Executive Committee receive the budget, draft SDBIP and updates to the IDP.</p>	<p>Finalization of detailed updates of the IDP and budget link.</p> <p>Executive Committee receive the budget, draft SDBIP and updates to the IDP.</p>	<p>Head: Finance</p> <p>Head: IDP/LED/Housing Head: Finance</p> <p>Head: Finance</p>	<p>February 2012</p> <p>February 2012 March 2012</p> <p>March 2012</p>
CONSIDERATION OF DRAFT BUDGET			
<p>Executive Committee considers the budget.</p> <p>Mayor submit budget, tariffs, draft SDBIP and updated IDP to Council by 31 March.</p>	<p>Executive Committee considers the IDP. Mayor submit budget, draft SDBIP and updated IDP to Council by 31 March.</p>	<p>Executive Committee</p> <p>Mayor</p>	<p>March 2012</p> <p>March 2012</p>

The Council debates the budget and updated IDP.	The Council debates the budget and updated IDP.	Council	March 2012
CONSULTATION			
Send a copy of the budget, tariffs, draft SDBIP and changes in the IDP to National and Provincial Government for inputs.	Send a copy of the budget, tariffs, draft SDBIP and changes in the IDP to National and Provincial Government for inputs.	Municipal Manager	March 2012
Consultation with the community regarding the budget, tariffs, IDP and performance objectives and indicators in the draft SDBIP.	Consultation with the community regarding the budget, tariffs, IDP and performance objectives and indicators in the draft SDBIP.	Mayor	April 2012
Receive and analyze additional inputs of the communities, National and Provincial Government.	Receive and analyze additional inputs of the communities, National and Provincial Government.	Mayor	April – May 2012
Incorporate feedback from the community and National and Provincial Government and if necessary, review the budget, tariffs, draft SDBIP and IDP before submission to Council.	Incorporate feedback from the community and National and Provincial Government and if necessary, review the budget, tariffs, draft SDBIP and IDP before submission to Council	Mayor	May 2012
FINAL APPROVAL			
Mayor submits the review budget, tariffs and IDP with consideration of the inputs of the community and Council – no later than 31 May.	Mayor submits the review budget, tariffs and DP with consideration of the inputs of the community and Council – no later than 31 May.	Mayor	May 2012
Municipal Council approves the IDP and budget before 31 May	Municipal Council approves the IDP and budget before 31 May.	Council	May 2012
PUBLICATIONS AND SDBIP			

Publication of the budget, tariffs and IDP send a copy of the approved budget to the National and Provincial Government (for notification).	Publication of the budget, tariffs and IDP and send a copy of the approved budget to the National and Provincial Government	Municipal Manager	May 2012
Submit draft SDBIP and draft performance agreements of the Municipal Manager and Senior Managers to the Executive Mayor for approval.		Municipal Manager	June 2012
Approval of SDBIP and performance agreements. Advertise the SDBIP and performance agreements (notification).		Municipal Manager	June 2012
Submission of performance agreements to the MEC of COGHSTA (special council meeting).		Mayor	July 2012
		Mayor	July 2012
BUDGET IMPLEMENTATION			
Implementation of the budget.		Municipal Manager	July 2012
Start with the preparation of the next budget.		Mayor	July 2012
Review the budget, if necessary		Mayor	January 2013

The key deadlines were not followed as per the budget time schedule and council, however the budget was approved on the 31st of May 2012 and all processes were followed.

1.8.2 IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the first revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process

1.8.3 Financial Modeling and Key Planning Drivers

As part of the compilation of the 2012/13 MTREF, an extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2012/13 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51 and 54 has been taken into consideration in the planning and prioritisation process.

1.8.4 Community Consultation

The draft 2012/13 MTREF as tabled before Council on 2 April 2012 for community consultation will be published in the local news paper, the municipality's big screen, the local radio station and hard copies were made available at customer care offices, municipal notice boards and various libraries.

The office of the speaker will be utilised to facilitate the community consultation process from 15 to 24 May 2012, this will include 17 public briefing sessions. The applicable dates and venues will be published in all the local newspapers and the local radio station.



Nama Khoi Munisipaliteit

IDP
en
Begroting

DATUM	DORP	TYD	SAAL	RAADSLEDE	Groep	Admin Beampte
Dinsdag 15 Mei 2012	Bergsig Wyk 5	18:00	Libra Saal	Mnr S Kleinbooi Mnr W S Jordaan	Groep 1	Lionel van Wyk Claudia Cloete Leandra Vries
Dinsdag 15 Mei 2012	Nababeep Wyk 9	18:00	Junior Klubsaal	Me G Pieters Mnr F van Wyk G J Coetzee K Groenewald W Goedeman	Groep 2	Paul Swartbooi Carmen Vries Dewald Rooi
Woensdag 16 Mei 2012	Violsdrift Wyk 2	18:00	Skool	Mnr E Maritz	Groep 2	Paul Swartbooi Carmen Vries Dewald Rooi
	Rooiwal Wyk 2	14:00	Dienspunt	Mnr F Cupido	Groep 2	Paul Swartbooi Carmen Vries Dewald Rooi
	Goodhouse Wyk 2	14:00	Dienspunt	W T Cloete	Groep 1	Lionel van Wyk Claudia Cloete Leandra Vries

Donderdag 17 Mei 2012	Okiep Wyk 6	18:00	Rec Klub	Mnr G Cloete Mnr L Faber KS Ventura	Groep 2	Paul Swartbooi Carmen Vries Dewald Rooi
	Concordia Wyk 1	18:00	Gemeenskap Saal	Me K Groenewaldt	Groep 1	Lionel van Wyk Claudia Cloete Leandra Vries
Maandag 21 Mei 2012	Steinkopf Wyk 2,3	18:00	Gemeenskap Saal	Mnr E Maritz Mnr F Cupido G J Coetzee K Groenewald	Groep 1	Lionel van Wyk Claudia Vries Leandra Vries
	Matjieskloof Wyk 7	18:00	Parogie Saal	Me D Hoskin Me M Magerman W Goedeman V van Dyk	Groep 2	Paul Swartbooi Carmen Vries Dewald Rooi
Dinsdag 22 Mei 2012	Springbok Wyk 4	18:00	Skousaal	Me V van Dyk	Groep 1	Lionel Van Wyk Claudia Vries

						Leandra Vries
	Carolusberg Wyk 4	18:00	Rec Klub	Mnr W Jordaan	Groep 2	Paul Swartbooi Carmen Vries Dewald Rooi
Woensdag 23 Mei 2012	Bulletrap Wyk 3	14:00	Dienspunt	Mnr F Cupido	Groep 1	Lionel van Wyk Claudia Vries Leandra Vries
	Rooiwinkel Wyk 6	14:00	Green Spot Saal	Mnr G Cloete Mnr L Faber	Groep 2	Carmen Vries Dewald Rooi Paul Swartbooi
Woensdag 23 Mei 2012	Vaalwater Wyk 7	18:00	Gemeenskapsaal	S. D. Hoskin KS Ventura SJC van Wyk Simon Kleinbooi G Coetzee	Groep 1,2	Carmen Vries Dewald Rooi Claudia Cloete Leandra Vries Lionel van Wyk
Donderdag 24 Mei 2012	Kommagas Wyk 8	14:00	Crèche	Mnr W Goedeman V van Dyk KS Ventura	Groep 1	Lionel van Wyk Claudia Vries Leandra van Wyk

	Buffelsrivier Wyk 8	18:00	Gemeenskap Saal	Mnr W Goedeman V van Dyk KS Ventura	Groep 1	Lionel van Wyk Claudia Vries Leandra Vries
Donderdag 24 Mei 2012	Kleinsee Wyk 8	18:00	Rec Klub	Mnr. W Goedeman V van Dyk KS Ventura	Groep 2	Dewald Rooi Carmen Vries Paul Swartbooi

1.9 Overview of alignment of annual budget with IDP

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2012/13 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 28 IDP Strategic Objectives

2012/13 Objectives	2012/13 Goals
1. Basic services and infrastructure	To ensure sustainable service delivery in respect of water, electricity, sanitation and solid waste management, storm water and roads to all residents of Nama Khoi municipality
2. Local economic development	Development and implementation of Nama Khoi development and LED strategy to ensure the alignment to the economic sectors and also assist the SMME's in cooperation with other stake holders
3. Municipal Transformation and Institutional Development	
4. Financial Viability	Strategic and sustainable budgeting, revenue protection and debt control, grow and diversify revenue and value for money in expenditure through the integrated financial plan
5. Good governance and Community participation.	

The 2012/13 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 29 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

NC062 Nama Khoi - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

NC062 Nama Khoi - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)												
Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand												
Sustaining the Natural and Built Environment	Climate protection and pollution minimisation			5 902	6 375		7 346			7 682	8 135	8 566
	Develop, manage and regulate the built and natural environment										-	-
Quality Living Environment	Meet service needs and address backlogs			66 361	95 773		96 438			77 129	81 679	86 008
Safe, Healthy and Secure Environment	Promoting the safety of citizens			2 356	2 020		2 392			2 347	2 486	2 618
	Promoting the health of citizens										-	-
											-	-
Embracing our Cultural Diversity	Promote sport and recreation within the town			1 670	2 500		1 876			3 619	3 833	4 036
Good Governance	Ensure accessibility and promote governance.			3 363	6 435		824			1 850	1 959	2 063
	Create an efficient, effective and accountable administration										-	-
Financial Viability and Sustainability	Strategic and sustainable budgeting, Grow and diversify our revenues and Value for money expenditure			34 179	40 580		49 618			61 549	65 181	68 635
Allocations to other priorities				2							-	
Total Revenue (excluding capital transfers and contributions)				1	113 831	153 683	-	158 494	-	-	154 176	171 926

Table 30 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

NC062 Nama Khoi - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

NC062 Nama Khoi - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)													
Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	
R thousand													
Sustaining the Natural and Built Environment	Climate protection and pollution minimisation			6 965	7 494		10 901			10 385	10 998	11 581	
											-	-	
	Develop, manage and regulate the built and natural environment										-	-	
Quality Living Environment	Meet service needs and address backlogs			81 650	82 488		92 449			104 318	110 473	116 328	
											-	-	
											-	-	
Safe, Healthy and Secure Environment	Promoting the safety of citizens			3 501	4 766		5 529			8 480	8 980	9 456	
											-	-	
	Promoting the health of citizens										-	-	
Embracing our Cultural Diversity	Promote sport and recreation within the town			5 344	5 118		4 294			5 203	5 510	5 802	
											-	-	
											-	-	
Good Governance	Ensure accessibility and promote governance.			12 260	20 587		21 227			36 393	38 541	40 583	
											-	-	
	Create an efficient, effective and accountable administration										-	-	
Financial Viability and Sustainability	Strategic and sustainable budgeting, Grow and diversify our revenues and Value for money expenditure			6 530	13 165		16 135			22 079	23 382	24 621	
											-	-	
											-	-	
Total Expenditure				1	116 250	133 618	-	150 535	-	-	186 859	197 884	208 372

Table 31 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

NC062 Nama Khoi - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand												
Sustaining the Natural and Built Environment	Climate protection and pollution minimisation	A		392	785							
		B										
Develop, manage and regulate the built and natural environment	C	292		228		25 000						
Quality Living Environment	Meet service needs and address backlogs	D		3 322	33 400		22 218			44 558	18 971	25 952
Safe, Healthy and Secure Environment	Promoting the safety of citizens	E		29	8							
		F										
	Promoting the health of citizens	G										
Embracing our Cultural Diversity	Promote sport and recreation within the town	H		–	305		1 380					
		I										
Good Governance	Ensure accessibility and promote governance.	J					2 000					
		K										
	Create an efficient, effective and accountable administration	L										
		M										
Financial Viability and Sustainability	Strategic and sustainable budgeting, Grow and diversify our revenues and Value for money expenditure	N		1 428	2 726							
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	5 463	37 452	–	50 598	–	–	44 558	18 971	25 952

1.10 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, Nama Khoi municipality did not have a performance management system, however the municipality has developed and will implement a performance management system in the current financial year,

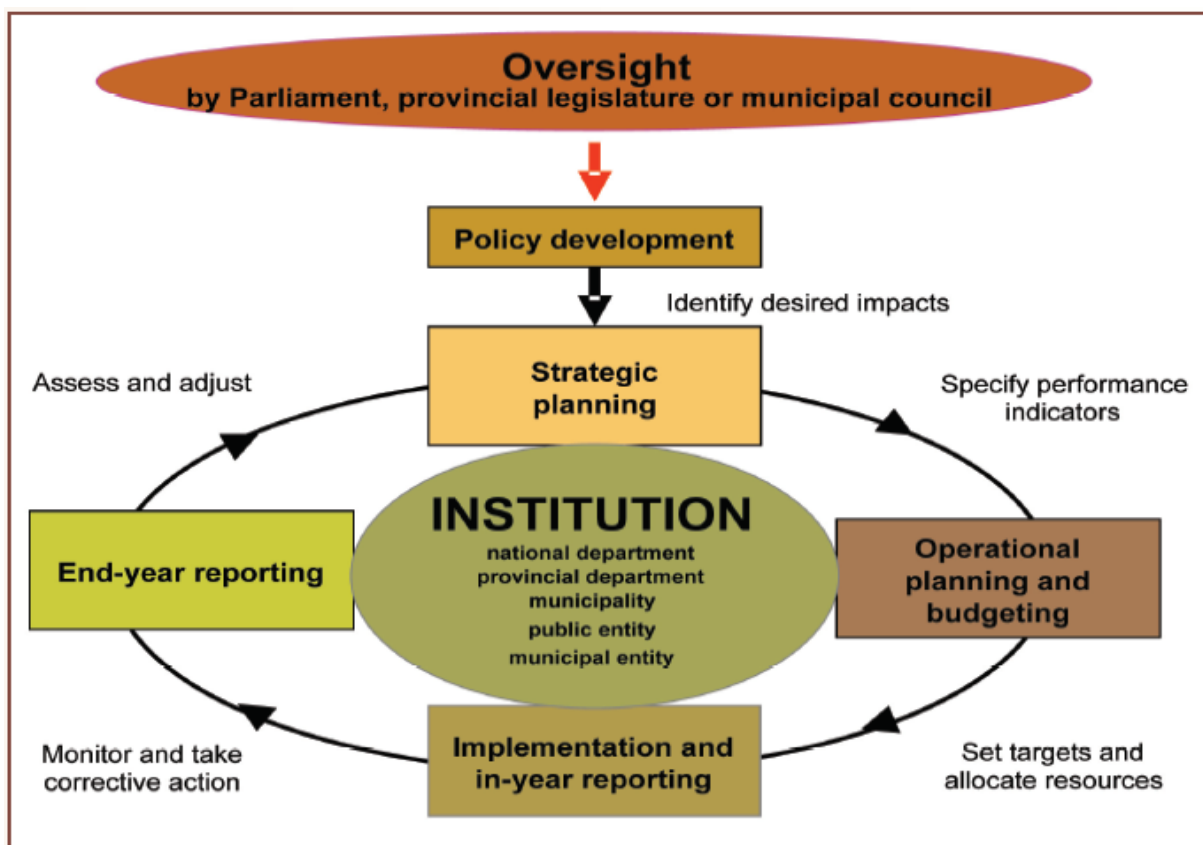


Figure 2 Planning, budgeting and reporting cycle

The following table sets out the municipalities main performance objectives and benchmarks for the 2012/13 MTREF.

Table 32 MBRR Table SA8 - Performance indicators and benchmarks

NC062 Nama Khoi - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	4.2%	2.9%	3.9%	6.0%	0.7%	0.7%	0.0%	2.5%	2.3%	2.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	6.8%	4.4%	5.0%	8.6%	1.0%	1.0%	0.0%	3.9%	3.7%	3.5%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	38.7%	30.3%	20.4%	122.3%	122.3%	122.3%	122.3%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	0.9	0.8	1.0	1.0	1.4	1.4	1.4	5.3	8.1	9.5
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.9	0.8	1.0	1.0	1.4	1.4	1.4	5.3	8.1	9.5
Liquidity Ratio	Monetary Assets/Current Liabilities	0.2	0.2	0.5	0.3	0.4	0.4	0.4	0.5	0.8	0.9
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		114.5%	97.3%	94.4%	129.2%	121.5%	121.5%	0.0%	136.8%	143.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			114.4%	97.0%	94.4%	129.0%	121.3%	121.3%	0.0%	136.8%	143.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	20.5%	14.2%	19.1%	13.2%	12.5%	12.5%	0.0%	56.5%	55.4%	60.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		196.2%	153.1%	58.4%	148.8%	19.8%	19.8%	19.8%	480.7%	36.1%	15.2%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source										
Employee costs	Employee costs/(Total Revenue - capital revenue)	36.5%	24.6%	34.5%	32.4%	35.6%	35.6%	0.0%	41.9%	42.1%	42.1%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	44.3%	26.2%	37.9%	34.7%	0.0%	0.0%		44.7%	44.9%	44.9%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	11.8%	4.6%	0.0%	6.6%	0.0%	0.0%		7.3%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	15.5%	10.1%	3.1%	10.5%	0.8%	0.8%	0.0%	6.9%	6.9%	6.9%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	30.1	23.0	18.6	73.3	73.3	73.3	–	33.3	36.1	37.8
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	29.1%	28.9%	26.3%	18.6%	18.4%	18.4%	0.0%	75.1%	73.8%	80.5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.7	1.4	2.7	0.7	5.0	5.0	–	0.2	1.9	4.1

1.10.1 Providing clean water and managing waste water

The Municipality is the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider. Approximately 95 per cent of the Municipality's bulk water needs are provided directly by Sedibeng Water in the form of purified

water. The remaining 5 per cent is generated from the Municipality's own water sources, such as boreholes.

The Department of Water Affairs conducts an annual performance rating of water treatment works, presenting a Blue Drop or Green Drop award respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

Sedibeng Water and the Municipality were awarded Blue Drop status in 2011/12, indicating that the Municipality's drinking water is of exceptional quality.

The Green and Blue drop certificate is a program facilitate by DWAF to ensure that all municipalities produce water quality that is safe for drinking. The green drop focuses on the waste water treatment works to ensure that these facilities are well managed and comply with environmental requirements, whilst the Blue drop focus on the management of the water treatment works to ensure that com are provided with safe water.

The Blue drop status:

Nama Khoi Local Municipality, assisted by Sedibeng Water can be satisfied with a commendable performance. Although the overall municipal performance reflects a slight improvement from 57.96% to 63.5%, the increased number of supply systems presented for evaluation implies that the municipality and Sedibeng Water is in process of developing more system specific drinking water quality management systems for the areas previously all assessed under the Namakwa Water Board supply system. Efforts should persist to effect a positive change in the quality of service provided to residents of Nama Khoi. While the WSA and WSP jointly develop and define system specific water safety plans, monitoring should improve to ensure availability of sufficient data to confidently access the microbiological and chemical quality of the water available for consumption. The WSA and WSP should also synchronize their supply systems as registered on the Blue Drop System. Compliance of drinking water in systems receiving water from the Henkries treatment facility has been calculated from data submitted by both the WSA and WSP, DWA however requires additional information related to flow of water to ensure that the weighted compliance truly signifies the water available for consumption in the respective water supply systems. Nama Khoi needs to commence monitoring of chemical determinants in all the supply systems, the WSA and WSP should also prioritize the areas plagued by microbiological failures for treatment and in particular, disinfection process optimization. Data available to the Department infers that water in the Carolusberg, Springbok, Nababeep, Concordia, Buffelsrivier, Kommagas and Vioolsdrift are of a microbiological quality not compliant with the requirements of the South African national standard for drinking water (SANS 241). Water to Fonteintjie, Bergsig and Matjieskloof also appears to pose a risk of infection; the latter three systems were however again not presented for Blue Drop evaluation.

The Green Drop status:

The risk rating has decreased only for the Bersig and Okiep wastewater treatment works. The remaining six wastewater treatment plants have an increased risk rating. The lack of effluent compliance monitoring has contributed to the risk rating of all plants. Bersig and Okiep plants are categorized as medium risk while the remaining plants are high risk plants. The risk category is lower for the Bersig and Okiep plants as a result of influent flow rate monitoring. Flow metering is not available at the remaining plants.

The NamaKhoi Local Municipality has not developed a Green Drop corrective action plan but it is anticipated that the development and implementation of the W2RAP will facilitate the Municipality to ensure a risk based approach to the development and implementation of actions required to address the poor performance of the WWTWs. Improved compliance with the Green Drop criteria and a reduction of the risk rating will require management support and the appropriate allocation of resources for implementation of corrective actions.

1.11 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Below is the list of all financial policies that were reviewed and adopted by the Council

Budget related policy	Approved date	Resolution no.	Reviewed/New
Tariff policy	19 November 2010		
Debt collection policy	19 November 2010		
Indigent policy	19 November 2010		
Property rates policy	19 November 2010		
Cash and investment policy	19 November 2010		
Funds and reserve policy	19 November 2010		

1.12 Overview of budget assumptions

1.12.1 External factors

Domestically, after five years of relatively steady growth, between the 2nd and 3rd quarters of 2011, unemployment level declined by 96 000 resulting in a decline in the unemployment rate 0.7 percentage point to 25%. This is the first quarter this year to record a decline in unemployment level after an increase of 227 000 and 174 000 in the first and second quarter respectively. However, levels of unemployment still remain high compared to the same quarter last year

The unemployment rate at the end of 4th quarter 2011 was standing at 23.9 per cent nationally and at 26.7 per cent for Northern Cape. Nama Khoi Municipality is participating in the EPWP and created 57 jobs for the 2010/11 financial year. For the 3rd quarter of 2011 our records show 217 jobs.

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

1.12.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2012/13 MTREF:

- National Government macro economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration. Employee related costs comprise 33 per cent of total operating expenditure in the 2011/12 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget.

Headlines mentioned by National Treasury in circular 58 were taken into consideration when compiling 2012/13 MTREF

HEADLINES INFLATION FORECASTS AS PER NATIONAL TREASURY GUIDELINES CIRCULAR 58		
2012/13	2013/14	2014/15
5.4%	5.6%	5.4%

A provision for 8 per cent increase in salaries has been made

1.12.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The Municipality engages in a number of financing arrangements to minimise its interest rate costs and risk. However, for simplicity the 2012/13 MTREF is based on the assumption that all borrowings are undertaken using fixed interest rates for amortisation-style loans requiring both regular and bi-yearly principal and interest payments.

1.12.4 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (95 per cent) of annual billings. Cash flow is assumed to be 95 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

1.12.5 Growth or decline in tax base of the municipality

Debtor's revenue is assumed to increase at a rate that is influenced by the consumer debtors collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

1.12.6 Salary increases

The three year collective agreement regarding salaries/wages has come to an end. While negotiations are still in process Nama Khoi has made a provision of 8% salary across the 2012/13 MTREF

1.12.7 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

1.12.8 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 90 per cent is achieved on operating expenditure and 95 per cent on the capital programme for the 2012/13 MTREF of which performance has been factored into the cash flow budget.

In order to be able to implement all projects in the budget the municipality will need to strictly implement its credit control policy. The municipality is in negotiation with funders for the feasibility study on Non-Revenue Water. The municipality will also embark on the project where they will do a door to door for the collection of data and to update its indigent register.

1.13 Overview of budget funding

1.13.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 33 Breakdown of the operating revenue over the medium-term

Description		2012/13 Medium Term Revenue & Expenditure		
R thousand	Adjusted Budget	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source				
Property rates	20 693 477	31 128 023	32 126 545	33 700 745
Service charges	76 962 676	83 634 755	88 067 397	92 382 700
Interest earned	1 283 454	1 709 626	1 800 236	1 888 448
Transfers recognised - operational	33 531 226	36 302 323	38 226 346	40 099 437
Other revenue	12 501 524	1 401 341	1 475 612	1 547 917
Total Revenue	144 972 357	154 176 068	161 696 137	169 619 247

The following graph is a breakdown of the operational revenue per main category for the 2012/13 financial year.

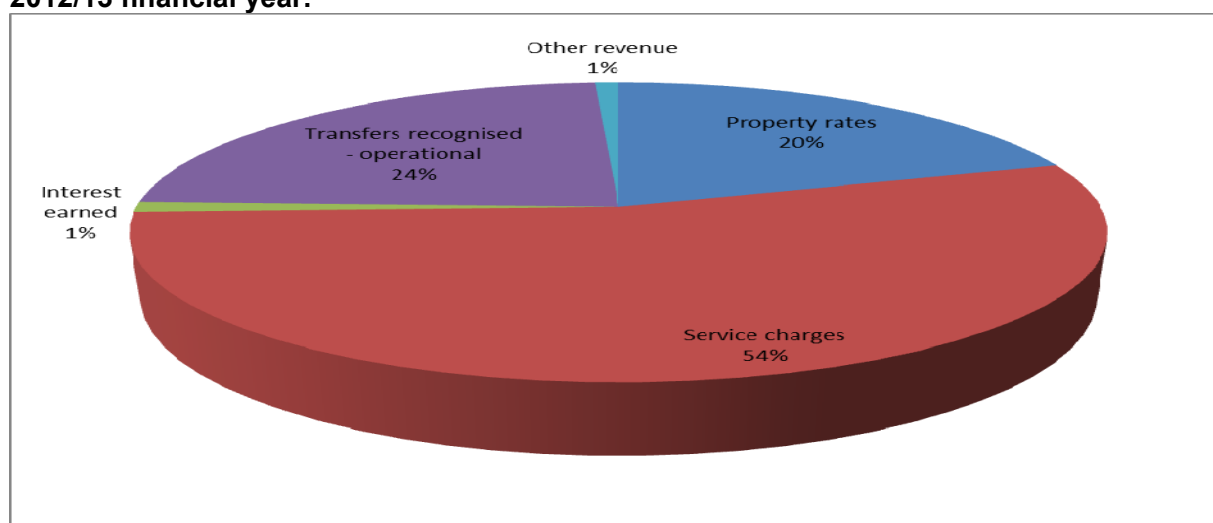


Figure 3 Breakdown of operating revenue over the 2012/13 MTREF

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality totaling R83 million for the 2012/13 financial year and increasing to R88 million by 2013/14. For the 2011/12 financial year services charges amount to 53 per cent of the total revenue base and grows by 1 per cent per annum over the medium-term. This growth can mainly be attributed to the increase in the bulk prices of electricity and water.

Operational grants and subsidies amount to R37 million, R39 million and R40 million for each of the respective financial years of the MTREF, or 23, 23.6 and 23.6 per cent of operating revenue. The percentage of the total operational grants and transfers in relation to the total operating revenue is distorted owing to the high increases in revenue relating to services charges.

Interest earned from investment and outstanding debtors contributes marginally to the revenue base of the Municipality with a budget allocation of R 1 710 million, R1 800 million and R1 888 million for the respective three financial years of the 2012/13 MTREF. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

The tables below provide detail investment information and investment particulars by maturity.

Table 34 MBRR SA15 – Detail Investment Information

NC062 Nama Khoi - Supporting Table SA15

Investment particulars by type

Investment type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Parent municipality										
Securities - National Government Listed Corporate Bonds		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Deposits - Bank		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Deposits - Public Investment Commissioners		4,658	7,359		5,000	15,166	15,166	9,103	9,500	15,830
Deposits - Corporation for Public Deposits Bankers		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Acceptance Certificates Negotiable Certificates of Deposit - Banks		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Guaranteed Endowment Policies (sinking)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Repurchase Agreements - Banks		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Municipal Bonds		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Municipality sub-total	1	4,658	7,359	-	5,000	15,166	15,166	9,103	9,500	15,830

Table 35 MBRR SA16 – Investment particulars by maturity

NC062 Nama Khoi - Supporting Table SA16

Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Ref 1	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Monetary value	Interest to be realised
		Yrs/Months								Rand thousand	
<u>Parent municipality</u> Deposit-Bank ABSA		0	Money Market	Yes	Variable	5%	n/a	n/a	On Call	9,103	454
Municipality sub-total										9,103	454

1.13.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2012/13 medium-term capital programme:

Table 36 Sources of capital revenue over the MTREF

NC062 Nama Khoi - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding											
Vote Description R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 2 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	25 000	3 000	3 000	-	-	-	-
Vote 4 - Community Services: Community Development		-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services: Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 6 - Electrical Engineering Services		-	-	-	-	-	-	-	23 000	2 000	8 000
Vote 7 - Infrastructure, Engineering & Technical Services		-	-	-	11 883	4 673	4 673	-	20 558	16 971	17 952
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	36 883	7 673	7 673	-	43 558	18 971	25 952
Single-year expenditure to be appropriated	2										
Vote 1 - Municipal Manager		204	643	-	-	-	-	-	-	-	-
Vote 2 - Financial Services		648	850	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		577	1 234	-	2 000	-	-	-	-	-	-
Vote 4 - Community Services: Community Development		292	533	-	1 380	4 556	4 556	-	-	-	-
Vote 5 - Community Services: Public Safety		29	8	-	-	-	-	-	-	-	-
Vote 6 - Electrical Engineering Services		369	23 300	-	10 335	9 949	9 949	-	-	-	-
Vote 7 - Infrastructure, Engineering & Technical Services		3 345	10 885	-	-	7 775	7 775	-	1 000	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		5 463	37 452	-	13 715	22 281	22 281	-	1 000	-	-
Total Capital Expenditure - Vote		5 463	37 452	-	50 598	29 954	29 954	-	44 558	18 971	25 952

Capital Expenditure - Standard											
<i>Governance and administration</i>		-	-	-	2 000	-	-	-	-	-	-
Executive and council							-				
Budget and treasury office							-				
Corporate services					2 000		-				
<i>Community and public safety</i>		-	-	-	26 380	7 557	7 557	-	-	-	-
Community and social services					25 000	3 400	3 400				
Sport and recreation					1 380	4 157	4 157				
Public safety						-	-				
Housing						-	-				
Health						-	-				
<i>Economic and environmental services</i>		-	-	-	6 017	4 744	4 744	-	1 000	-	-
Planning and development						-	-				
Road transport					6 017	4 744	4 744		1 000		
Environmental protection						-	-				
<i>Trading services</i>		-	-	-	16 201	17 653	17 653	-	43 558	18 971	25 952
Electricity					10 335	9 949	9 949		23 000	2 000	8 000
Water					5 866	2 929	2 929				
Waste water management						4 775	4 775		20 558	16 971	17 952
Waste management											
<i>Other</i>											
Total Capital Expenditure - Standard	3	-	-	-	50 598	29 954	29 954	-	44 558	18 971	25 952
Funded by:											
National Government					22 698	24 644	24 644		44 558	18 971	25 952
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	-	-	-	22 698	24 644	24 644	-	44 558	18 971	25 952
Public contributions & donations	5										
Borrowing	6				27 900	5 310	5 310				
Internally generated funds											
Total Capital Funding	7	-	-	-	50 598	29 954	29 954	-	44 558	18 971	25 952

The following table is a detailed analysis of the Municipality's borrowing liability.

Table 37 MBRR Table SA 17 - Detail of borrowings

NC062 Nama Khoi -
Supporting Table SA17
Borrowing

Borrowing - Categorized by type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Parent municipality										
Long-Term Loans (annuity/reducing balance)		8,135	6,619		29,369	29,369	29,369	27,000	-	-
Long-Term Loans (non- annuity)										
Local registered stock Instalment Credit										
Financial Leases		596	1,070		56	56	56	-	-	-
PPP liabilities Finance										
Granted By Cap Equipment Supplier										
Marketable Bonds										
Non- Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	8,730	7,689	-	29,424	29,424	29,424	27,000	-	-

Borrowing still remains a significant funding source for the capital programme over the medium-term with an estimated R27 million to be raised for the 2012/13 financial year totalling 40 per cent of the total funding of the capital budget for the financial year.

Table 38 MBRR Table SA 18 - Capital transfers and grant receipts

NC062 Nama Khoi - Supporting Table SA18 Transfers and grant receipts

Description R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
RECEIPTS:	1, 2									
-										
<u>Operating Transfers and Grants</u>										
National Government:		14,822	24,036	29,172	31,586	-	-	34,768	37,849	40,795
Local Government Equitable Share		13,438	21,765	27,222	28,625			32,468	35,199	38,095
Finance Management Grant		500	750	1,200	1,450			1,500	1,750	1,750
Municipal Systems Improvement Grant		735	850	750	790			800	900	950
DWAF:WSACDBP		149	671		721					
Integrated National Electricity Program										
Other transfers/grants [insert description]										
Regional Bulk Infr Grant										
Provincial Government:		25,589	8,535	-	772	-	-	6,846	-	-
Library		701	579		772			1,176		
Taxi Rank			826							
Sport Development		309								
Housing		24,580	7,129					5,670		
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	900	-	-	-	-	-	-	-
DBSA			900							

Total Operating Transfers and Grants	5	40,411	33,471	29,172	32,358	-	-	41,614	37,849	40,795
<u>Capital Transfers and Grants</u>										
National Government:		2,844	27,981	17,979	22,698	-	-	22,088	18,971	25,952
Integrated National Electricity Program		2,000	20,130	9,979	9,435			1,000	2,000	8,000
Municipal Infrastructure Grant		844	7,851	8,000	13,263			16,088	16,971	17,952
Municipal Infrastructure Grant (MIG)										
ACIT								1,000 4,000		
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		63	1,839	4,850	-	-	-	-	-	-
Various projects		63	1,638	4,850						
World Cup 2010 Equipment			200							
Other grant providers:		-	-	800	-	-	-	27,000	-	-
DBSA										
External Loan				800				27,000		
Total Capital Transfers and Grants	5	2,907	29,820	23,629	22,698	-	-	49,088	18,971	25,952
TOTAL RECEIPTS OF TRANSFERS & GRANTS		43,318	63,291	52,801	55,056	-	-	90,702	56,820	66,747

1.13.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table 39 MBRR Table A7 - Budget cash flow statement

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		80 992	84 800	85 638	134 401	134 401	134 401	134 401	160 571	176 628	194 290
Government - operating	1	42 886	59 505	46 158	32 358	32 358	32 358	32 358	35 944	37 849	40 795
Government - capital	1				22 698	22 698	22 698	22 698	27 758	18 971	25 952
Interest		2 219	1 333	1 726	1 428	1 428	1 428	1 428	532	558	586
Dividends									-		
Payments											
Suppliers and employees		(119 813)	(98 010)	(117 214)	(160 878)	(160 878)	(160 878)	(160 878)	(175 809)	(187 236)	(199 406)
Finance charges		(1 318)	(2 779)	(2 462)	(5 535)	(5 535)	(5 535)	(5 535)	(1 504)	(1 579)	(1 658)
Transfers and Grants	1								(2 034)		
NET CASH FROM/(USED) OPERATING ACTIVITIES		4 966	44 849	13 846	24 473	24 473	24 473	24 473	45 456	45 191	60 559
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			(36 404)	(1 331)					200	-	-
Decrease (Increase) in non-current debtors		53	275		190	190	190	190			
Decrease (increase) other non-current receivables			(17)	10							
Decrease (increase) in non-current investments			6	(0)							
Payments											
Capital assets		(5 465)			(50 598)	29 954	29 954	29 954	(67 570)	(18 971)	(25 952)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(5 412)	(36 139)	(1 321)	(50 408)	30 144	30 144	30 144	(67 370)	(18 971)	(25 952)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-		
Borrowing long term/refinancing					27 900				27 000		
Increase (decrease) in consumer deposits			192	61	50				55	57	60
Payments											
Repayment of borrowing		(2 131)	(1 060)	(2 094)	(3 500)				(3 143)	(2 985)	(2 836)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(2 131)	(868)	(2 032)	24 450	-	-	-	23 912	(2 928)	(2 776)
NET INCREASE/ (DECREASE) IN CASH HELD		(2 577)	7 842	10 493	(1 485)	54 617	54 617	54 617	1 998	23 292	31 831
Cash/cash equivalents at the year begin:	2	7 396	4 819	12 661	8 745	8 745	8 745	8 745	4 882	6 880	30 172
Cash/cash equivalents at the year end:	2	4 819	12 661	23 153	7 260	63 362	63 362	63 362	6 880	30 172	62 003

1.13.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA.

Table 40 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	4 819	12 661	23 153	7 260	63 362	63 362	63 362	6 880	30 172	62 003
Other current investments > 90 days		0	(3 593)	(7 308)	(0)	(56 102)	(56 102)	(56 102)	1 760	(20 532)	(51 381)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		4 819	9 068	15 846	7 260	7 260	7 260	7 260	8 640	9 640	10 622
Application of cash and investments											
Unspent conditional transfers		7 951	4 567	-	-	-	-	-	5 600	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	3 330	-	-
Other working capital requirements	3	(11 392)	(1 592)	(7 890)	(12 354)	(10 983)	(10 983)	10 800	(77 791)	(97 718)	(119 285)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(3 442)	2 975	(7 890)	(12 354)	(10 983)	(10 983)	10 800	(68 861)	(97 718)	(119 285)
Surplus(shortfall)		8 261	6 093	23 736	19 614	18 243	18 243	(3 540)	77 501	107 358	129 907

From the above table it can be seen that the cash and investments available total R 8.6 million in the 2012/13 financial year and progressively increase to R 9.6 million by 2013/14, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

The following graph supplies an analysis of the trends relating cash and cash equivalents and the cash backed reserves/accumulated funds reconciliation over a seven year perspective.

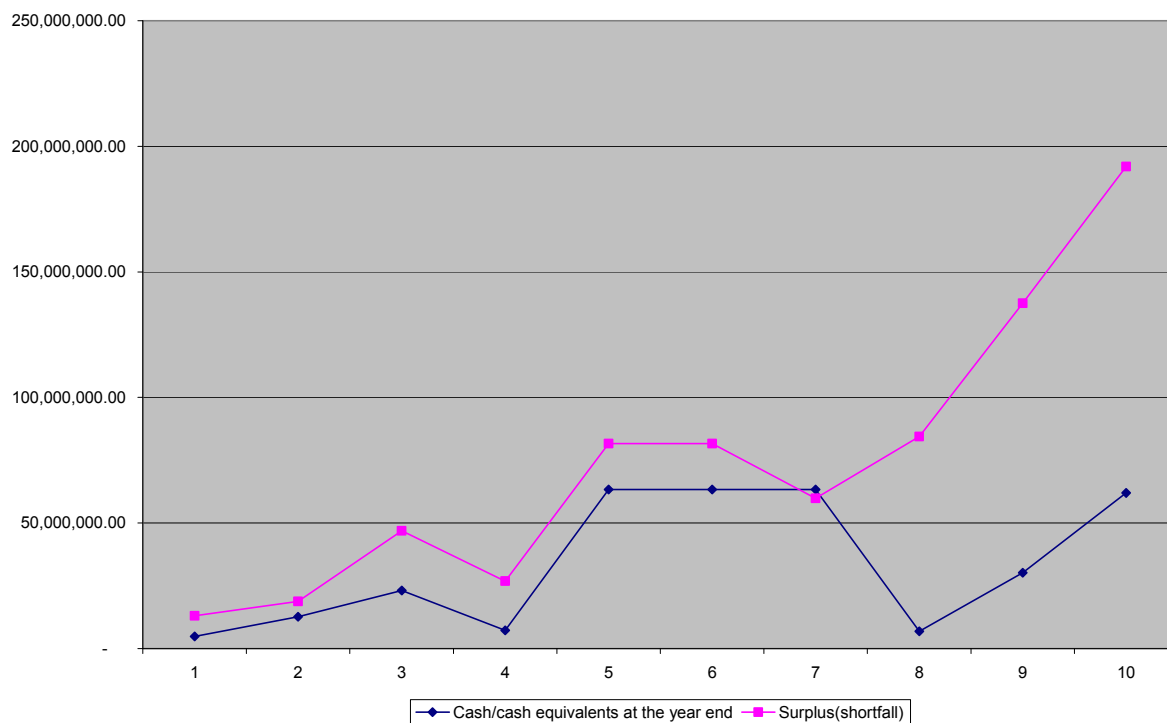


Figure 4 Cash and cash equivalents / Cash backed reserves and accumulated funds

1.13.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 41 MBRR SA10 – Funding compliance measurement

Description	MFMA section	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	4 819	12 661	23 153	7 260	54 617	54 617	54 617	1 998	25 290	57 121
Cash + investments at the yr end less applications - R'000	18(1)b	2	8 261	6 093	23 736	19 614	18 243	18 243	(3 540)	109 284	129 291	156 502
Cash year end/monthly employee/supplier payments	18(1)b	3	0.7	1.4	2.7	0.7	5.0	5.0	–	0.2	1.9	4.1
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(25 473)	20 162	2 730	(12 837)	(13 157)	(13 157)	650	(32 683)	(35 067)	(36 785)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	14.2%	8.2%	9.5%	(4.2%)	(6.0%)	(106.0%)	11.5%	(1.3%)	(1.1%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	114.4%	97.0%	94.4%	129.0%	121.3%	121.3%	0.0%	136.8%	143.6%	150.6%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	(2.3%)	3.0%	1.5%	1.4%	1.4%	1.4%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c;19	8	100.0%	0.0%	0.0%	100.0%	(100.0%)	(100.0%)	0.0%	151.6%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	19.4%	3.6%	(18.3%)	0.0%	0.0%	0.0%	381.6%	2.9%	14.4%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	(29.5%)	33.4%	(91.0%)	0.0%	0.0%	0.0%	(100.0%)	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	3.1%	1.9%	0.0%	2.1%	0.0%	0.0%	2.6%	2.6%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	108.0%	82.4%	0.0%	72.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Supporting indicators											
% incr <i>total service charges (incl prop rates)</i>	18(1)a		20.2%	14.2%	15.5%	1.8%	0.0%	(100.0%)	17.5%	4.7%	4.9%
% incr Property Tax	18(1)a		3.7%	10.1%	(0.8%)	(7.3%)	0.0%	(100.0%)	50.4%	3.2%	4.9%
% incr Service charges - electricity revenue	18(1)a		14.1%	17.3%	32.7%	(0.4%)	0.0%	(100.0%)	7.2%	5.3%	4.9%
% incr Service charges - water revenue	18(1)a		30.8%	13.3%	34.5%	(17.0%)	0.0%	(100.0%)	8.9%	5.3%	4.9%
% incr Service charges - sanitation revenue	18(1)a		23.2%	12.8%	(4.1%)	31.0%	0.0%	(100.0%)	(16.1%)	5.3%	4.9%
% incr Service charges - refuse revenue	18(1)a		1731.7%	16.3%	(78.0%)	542.6%	0.0%	(100.0%)	20.0%	5.3%	4.9%
% incr in Service charges - other	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.3%	4.9%
Total billable revenue	18(1)a	61 538	73 992	84 120	97 095	98 523	98 523	-	116 023	121 521	127 476
Service charges		60 540	72 771	83 078	95 952	97 656	97 656	-	114 763	120 194	126 083
Property rates		19 731	20 458	22 517	22 326	20 693	20 693	-	31 128	32 127	33 701
Service charges - electricity revenue		26 288	30 000	35 192	46 700	46 529	46 529	-	49 856	52 499	55 071
Service charges - water revenue		10 386	13 588	15 392	20 703	17 193	17 193	-	18 716	19 708	20 673
Service charges - sanitation revenue		3 924	4 832	5 449	5 228	6 848	6 848	-	5 743	6 048	6 344
Service charges - refuse removal		212	3 892	4 528	995	6 393	6 393	-	7 672	8 078	8 474
Service charges - other		-	-	-	-	-	-	-	1 648	1 735	1 820
Rental of facilities and equipment		998	1 221	1 041	1 143	867	867	-	1 260	1 327	1 392
Capital expenditure excluding capital grant funding		5 463	37 452	-	27 900	5 310	5 310	-	-	-	-
Cash receipts from ratepayers	18(1)a	80 992	84 800	85 638	134 401	134 401	134 401	134 401	160 571	176 628	194 290
Ratepayer & Other revenue	18(1)a	70 780	87 423	90 765	104 200	110 758	110 758	-	117 389	122 959	128 984
Change in consumer debtors (current and non-current)		3 817	3 300	915	(4 571)	(4 571)	(4 571)	(4 571)	68 988	2 518	12 954
Operating and Capital Grant Revenue	18(1)a	18 104	65 706	27 291	32 358	33 531	33 531	-	36 302	38 226	40 099
Capital expenditure - total	20(1)(vi)	5 463	37 452	-	50 598	29 954	29 954	-	44 558	18 971	25 952
Capital expenditure - renewal	20(1)(vi)	5 900	30 864	22 279	36 715	-	-	-	-	-	-
Supporting benchmarks											
Growth guideline maximum		6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline		4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY											
DoRA capital grants total MFY											
Provincial operating grants											
Provincial capital grants											
District Municipality grants											
Total gazetted/advised national, provincial and district grants									-	-	-
Average annual collection rate (arrears inclusive)											
DoRA operating											
<i>Local Government Equitable Share</i>									32 468	35 199	38 095
Finance Management Grant									1 500	1 750	1 750
Municipal Systems Improvement Grant									800	900	950
									34 768	37 849	40 795
DoRA capital											
<i>Integrated National Electricity Program</i>									1 000	2 000	8 000
Municipal Infrastructure Grant									16 088	16 971	17 952
EPWP									10 000		
									27 088	18 971	25 952
Trend											
Change in consumer debtors (current and non-current)		3 817	3 300	915	(4 571)	68 988	2 518	12 954	-	-	-

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Total Operating Revenue			90 191	153 683	118 779	137 048	144 972	144 972	-	154 176	161 696	169 619
Total Operating Expenditure			116 250	134 165	116 049	150 535	158 779	158 779	-	186 859	196 763	206 404
Operating Performance Surplus/(Deficit)			(26 059)	19 518	2 730	(13 487)	(13 807)	(13 807)	-	(32 683)	(35 067)	(36 785)
Cash and Cash Equivalents (30 June 2012)										1 998		
Revenue												
% Increase in Total Operating Revenue				70.4%	(22.7%)	15.4%	5.8%	0.0%	(100.0%)	6.3%	4.9%	4.9%
% Increase in Property Rates Revenue				1.9%	9.8%	(0.9%)	(5.3%)	0.0%	(100.0%)	47.4%	5.3%	4.9%
% Increase in Electricity Revenue				14.1%	17.3%	32.7%	(0.4%)	0.0%	(100.0%)	7.2%	5.3%	4.9%
% Increase in Property Rates & Services Charges				20.2%	14.2%	15.5%	1.8%	0.0%	(100.0%)	17.5%	4.7%	4.9%
Expenditure												
% Increase in Total Operating Expenditure				15.4%	(13.5%)	29.7%	5.5%	0.0%	(100.0%)	17.7%	5.3%	4.9%
% Increase in Employee Costs				14.9%	8.4%	8.4%	16.1%	0.0%	(100.0%)	25.2%	5.3%	4.9%
% Increase in Electricity Bulk Purchases				40.5%	28.5%	27.5%	0.0%	0.0%	(100.0%)	13.5%	5.3%	4.9%
Average Cost Per Budgeted Employee Position (Remuneration)					2735293.6	164706.7368				224471.2409		
Average Cost Per Councillor (Remuneration)					218516	235156.8796				252295.888		
R&M % of PPE			3.1%	1.9%	0.0%	2.1%	0.0%	0.0%		2.6%	0.0%	0.0%
Asset Renewal and R&M as a % of PPE			5.0%	10.0%	12197.0%	11.0%	0.0%	0.0%		3.0%	0.0%	0.0%
Debt Impairment % of Total Billable Revenue			(2.3%)	3.0%	1.5%	1.4%	1.4%	1.4%	0.0%	0.0%	0.0%	0.0%
Capital Revenue												
Internally Funded & Other (R'000)			-	-	-	-	-	-	-	-	-	-
Borrowing (R'000)			-	-	-	27 900	5 310	5 310	-	-	-	-
Grant Funding and Other (R'000)			-	-	-	22 698	24 644	24 644	-	44 558	18 971	25 952
Internally Generated funds % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			0.0%	0.0%	0.0%	44.9%	82.3%	82.3%	0.0%	100.0%	100.0%	100.0%
Capital Expenditure												
Total Capital Programme (R'000)			-	-	-	50 598	29 954	29 954	-	44 558	18 971	25 952
Asset Renewal			5 900	30 864	22 279	36 715	-	-	-	-	-	-
Asset Renewal % of Total Capital Expenditure			0.0%	0.0%	0.0%	72.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash												
Cash Receipts % of Rate Payer & Other			114.4%	97.0%	94.4%	129.0%	121.3%	121.3%	0.0%	136.8%	143.6%	150.6%
Cash Coverage Ratio			0	0	0	0	0	0	-	0	0	0
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			4.2%	2.9%	3.9%	6.0%	0.7%	0.7%	0.0%	2.5%	2.3%	2.2%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves												
Surplus/(Deficit)			8 261	6 093	23 736	19 614	18 243	18 243	(3 540)	109 284	129 291	156 502
Free Services												
Free Basic Services as a % of Equitable Share			1.9%	1.8%	1.4%	2.7%	0.0%	0.0%		24.4%	25.2%	25.9%
Free Services as a % of Operating Revenue (excl operational transfers)			1.7%	1.6%	1.5%	0.8%	0.7%	0.7%		8.5%	9.0%	9.6%
High Level Outcome of Funding Compliance												
Total Operating Revenue			90 191	153 683	118 779	137 048	144 972	144 972	-	154 176	161 696	169 619
Total Operating Expenditure			116 250	134 165	116 049	150 535	158 779	158 779	-	186 859	196 763	206 404
Surplus/(Deficit) Budgeted Operating Statement			(26 059)	19 518	2 730	(13 487)	(13 807)	(13 807)	-	(32 683)	(35 067)	(36 785)
Surplus/(Deficit) Considering Reserves and Cash Backing			(17 798)	25 610	26 466	6 126	4 436	4 436	(3 540)	76 601	94 224	119 717
MTREF Funded (1) / Unfunded (0)	15	0	1	1	1	1	1	1	0	1	1	1
MTREF Funded ✓ / Unfunded ✗	15	✗	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓

1.13.5.1 Cash/cash equivalent position

The Municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the 2012/13 MTREF shows R 1.10 million, R 25.3 million and R 57 million for each respective financial year.

1.13.5.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 25, on page 25. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

1.13.5.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts. 2012/13 MTREF the municipality's cash position shows a ratio of 0.2 then increase to 1.9 and 4.1 respectively for the outer years.

1.13.5.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. For the 2012/13 MTREF the indicative outcome is a deficit of R 32.6 million, R35 million and R36.7 million.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

1.13.5.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

From the table above it can be seen that the percentage growth totals 50.4, 3.2 and 4.9 per cent for the respective financial year of the 2012/13 MTREF. Considering the lowest percentage tariff increase in relation to revenue generated from rates and services charges is 11.5 per cent, with the increase in electricity at 7.2 per cent it is to be expected that the increase in revenue will exceed the inflation target figures. However, the outcome is lower than it might be due to the slowdown in the economy and a reduction in consumption patterns. This trend will have to be carefully monitored and managed with the implementation of the budget.

1.13.5.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyze the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. It can be seen that the outcome is at 136.8, 143.6 and 150.6 per cent for each of the respective financial years. Given that the assumed collection rate was based on a 95 per cent performance target, the cash flow statement has been conservatively determined.

1.13.5.7 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues.

1.13.5.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position.

1.13.5.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance.

1.13.5.10 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Municipality has budgeted for all transfers.

1.13.5.11 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position.

1.13.5.12 Repairs and maintenance expenditure level table 34c

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected.

1.13.5.13 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorize each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarize and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 59 MBRR SA34b on page 116.

1.14 Expenditure on grants and reconciliations of unspent funds

Table 42 MBRR SA19 - Expenditure on transfers and grant programmes.

NC062 Nama Khoi - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
EXPENDITURE:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		14,822	24,036	29,172	31,586	-	-	34,768	114,849	168,795
Local Government										
Equitable Share		13,438	21,765	27,222	28,625			32,468	35,199	38,095
Finance										
Management Grant		500	750	1,200	1,450			1,500	1,750	1,750
Municipal										
Systems Improvemen		735	850	750	790			800	900	950
Grant										
DWAF:WSACDBP		149	671							
Integrated										
National Electricity					721				2,000	8,000
Program										
Other										
transfers/grants [insert description]										
Regional Bulk										
Infr Grant									75,000	120,000
Provincial Government:		25,589	8,535	-	772	-	-	6,846	-	-
Library		701	579		772			1,176		
Taxi Rank			826							
Sport		309								
Development										
Housing		24,580	7,129					5,670		
Other										
transfers/grants [insert description]										
District Municipality:		-	900	-	-	-	-	-	-	-
DBSA			900							
Other grant providers:		-	-	-	-	-	-	4,000	-	-
ACIP								4,000		
Total operating expenditure of Transfers and Grants:		40,411	33,471	29,172	32,358	-	-	45,614	114,849	168,795

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Capital expenditure of Transfers and Grants									
National Government:	2,844	27,981	17,979	22,698	-	-	22,088	18,971	25,952
Integrated National Electricity Program	2,000	20,130	9,979	9,435			1,000	2,000	8,000
Municipal Infrastructure Grant	844	7,851	8,000	13,263			16,088	16,971	17,952
Municipal Infrastructure Grant (MIG)							4,000		
							1,000		
EPWP PROGRAM INCENTIVES									
Provincial Government:	-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]									
District Municipality:	63	1,839	4,850	-	-	-	-	-	-
<i>Various projects World Cup 2010 Equipment</i>	63	1,638 200	4,850						
Other grant providers:	-	-	800	-	-	-	27,000	-	-
<i>DBSA</i>									
<i>Extern loan</i>			800				27,000		
Total capital expenditure of Transfers and Grants	2,907	29,820	23,629	22,698	-	-	49,088	18,971	25,952
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	43,318	63,291	52,801	55,056	-	-	94,702	133,820	194,747

Table 43 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

NC062 Nama Khoi - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds										
Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		14 822	24 036	29 172	31 586			35 944	37 849	40 795
Conditions met - transferred to revenue		14 822	24 036	29 172	31 586	-	-	35 944	37 849	40 795
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		25 589	8 535		772					
Conditions met - transferred to revenue		25 589	8 535	-	772	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts		-	900							
Conditions met - transferred to revenue		-	900	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		40 411	33 471	29 172	32 358	-	-	35 944	37 849	40 795
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		2 844	27 981	17 979	22 698			16 088	16 971	17 952
Conditions met - transferred to revenue		2 844	27 981	17 979	22 698	-	-	16 088	16 971	17 952
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		63	1 839	4 850						
Conditions met - transferred to revenue		63	1 839	4 850	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts				800						
Conditions met - transferred to revenue		-	-	800	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		2 907	29 820	23 629	22 698	-	-	16 088	16 971	17 952
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		43 318	63 291	52 801	55 056	-	-	52 032	54 820	58 747
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

1.15 Councilor and employee benefits

Table 44 MBRR SA22 - Summary of councilor and staff benefits

NC062 Nama Khoi - Supporting Table SA22 Summary councillor and staff benefits

NC062 Nama Khoi - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages	1	2 139	2 196	2 523	2 576	2 576	2 576	2 898	3 052	3 201
Pension and UIF Contributions		328	330	378	369	369	369	173	182	191
Medical Aid Contributions				-	-	-	-		-	-
Motor Vehicle Allowance		689	843	-	944	944	944	1 003	1 056	1 108
Cellphone Allowance		154	194	967	216	216	216	214	225	236
Housing Allowances				222	-	-	-		-	-
Other benefits and allowances					-	-	-		-	-
Sub Total - Councillors		3 311	3 564	4 091	4 106	4 106	4 106	4 288	4 515	4 736
% increase	4		7.6%	14.8%	0.4%	-	-	4.4%	5.3%	4.9%
Senior Managers of the Municipality										
Basic Salaries and Wages	2	1 467	2 147	1 703	1 807	1 807	1 807	3 473	3 657	3 836
Pension and UIF Contributions		458	516	283	300	300	300	298	313	329
Medical Aid Contributions			-	147	156	156	156	66	70	73
Overtime		834	1 167	802	851	851	851		-	-
Performance Bonus			-	-	-	-	-		-	-
Motor Vehicle Allowance	3	48	235	59	63	63	63		-	-
Cellphone Allowance	3	121	156	-	-	-	-		-	-
Housing Allowances	3			9	9	9	9		-	-
Other benefits and allowances	3				-	-	-	831	875	918
Payments in lieu of leave					-	-	-		-	-
Long service awards					-	-	-		-	-
Post-retirement benefit obligations	6				-	-	-		-	-
Sub Total - Senior Managers of Municipality		2 928	4 221	3 003	3 186	3 186	3 186	4 668	4 916	5 157
% increase	4		44.2%	(28.8%)	6.1%	-	-	46.5%	5.3%	4.9%
Other Municipal Staff										
Basic Salaries and Wages		23 177	22 497	26 773	28 401	28 401	28 401	37 626	39 620	41 561
Pension and UIF Contributions		4 666	4 007	4 341	4 604	4 604	4 604	7 509	7 907	8 295
Medical Aid Contributions			601	649	689	689	689	1 139	1 199	1 258
Overtime		2 455	2 123	2 114	2 242	2 242	2 242	2 187	2 303	2 415
Performance Bonus			-	-	-	-	-		-	-
Motor Vehicle Allowance	3	378	190	59	63	63	63		-	-
Cellphone Allowance	3	1 252	1 252	-	-	-	-		-	-
Housing Allowances	3	1 794	1 759	-	-	-	-	367	386	405
Other benefits and allowances	3			3 983	4 225	4 225	4 225	11 153	11 744	12 320
Payments in lieu of leave					-	-	-		-	-
Long service awards					-	-	-		-	-
Post-retirement benefit obligations	6				-	-	-		-	-
Sub Total - Other Municipal Staff		33 723	32 430	37 919	40 224	40 224	40 224	59 980	63 159	66 254
% increase	4		(3.8%)	16.9%	6.1%	-	-	49.1%	5.3%	4.9%
Total Parent Municipality		39 961	40 214	45 013	47 516	47 516	47 516	68 937	72 590	76 147
			0.6%	11.9%	5.6%	-	-	45.1%	5.3%	4.9%

NC062 Nama Khoi - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

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Table 46 MBRR SA24 – Summary of personnel numbers

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1-16 Monthly targets for revenue, expenditure and cash flow

Table 47 MBRR SA25 - Budgeted monthly revenue and expenditure

NC062 Nama Khoi - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source																
Property rates		2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	30 510	32 127	33 701
Property rates - penalties & collection charges		52	52	52	52	52	52	52	52	52	52	52	52	618	-	-
Service charges - electricity revenue		4 155	4 155	4 155	4 155	4 155	4 155	4 155	4 155	4 155	4 155	4 155	4 155	49 856	52 499	55 071
Service charges - water revenue		1 560	1 560	1 560	1 560	1 560	1 560	1 560	1 560	1 560	1 560	1 560	1 560	18 716	19 708	20 673
Service charges - sanitation revenue		479	479	479	479	479	479	479	479	479	479	479	479	5 743	6 048	6 344
Service charges - refuse revenue		639	639	639	639	639	639	639	639	639	639	639	639	7 672	8 078	8 474
Service charges - other		137	137	137	137	137	137	137	137	137	137	137	137	1 648	1 735	1 820
Rental of facilities and equipment		105	105	105	105	105	105	105	105	105	105	105	105	1 260	1 327	1 392
Interest earned - external investments		40	40	40	40	40	40	40	40	40	40	40	40	485	511	536
Interest earned - outstanding debtors		102	102	102	102	102	102	102	102	102	102	102	102	1 224	1 289	1 353
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		7	7	7	7	7	7	7	7	7	7	7	7	88	93	97
Licences and permits		104	104	104	104	104	104	104	104	104	104	104	104	1 254	1 320	1 385
Agency services		100	100	100	100	100	100	100	100	100	100	100	100	1 206	1 270	1 332
Transfers recognised - operational		3 025	3 025	3 025	3 025	3 025	3 025	3 025	3 025	3 025	3 025	3 025	3 025	36 302	38 226	40 099
Other revenue		(201)	(201)	(201)	(201)	(201)	(201)	(201)	(201)	(201)	(201)	(201)	(201)	(2 407)	(2 534)	(2 658)
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	154 176	161 696	169 619
Expenditure By Type																
Employee related costs		5 387	5 387	5 387	5 387	5 387	5 387	5 387	5 387	5 387	5 387	5 387	5 387	64 648	68 074	71 410
Remuneration of councillors		357	357	357	357	357	357	357	357	357	357	357	357	4 289	4 516	4 738
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		759	759	759	759	759	759	759	759	759	759	759	759	9 111	9 593	10 064
Finance charges		125	125	125	125	125	125	125	125	125	125	125	125	1 504	1 584	1 661
Bulk purchases		5 712	5 712	5 712	5 712	5 712	5 712	5 712	5 712	5 712	5 712	5 712	5 712	68 547	72 180	75 717
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		47	47	47	47	47	47	47	47	47	47	47	47	567	597	626
Transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		3 183	3 183	3 183	3 183	3 183	3 183	3 183	3 183	3 183	3 183	3 183	3 183	38 194	40 218	42 189
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	186 859	196 763	206 404
Surplus/(Deficit)																
Transfers recognised - capital		(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(32 683)	(35 067)	(36 785)
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions																
Taxation		(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(32 683)	(35 067)	(36 785)
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(32 683)	(35 067)	(36 785)

Table 48 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

NC062 Nama Khoi - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)																
Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand																
Revenue by Vote																
Vote 1 - Municipal Manager		18	18	18	18	18	18	18	18	18	18	18	18	217	228	240
Vote 2 - Financial Services		5 129	5 129	5 129	5 129	5 129	5 129	5 129	5 129	5 129	5 129	5 129	5 129	61 549	64 811	67 987
Vote 3 - Corporate Services		95	95	95	95	95	95	95	95	95	95	95	95	1 140	1 201	1 260
Vote 4 - Community Services: Community Development		989	989	989	989	989	989	989	989	989	989	989	989	11 873	12 502	13 115
Vote 5 - Community Services: Public Safety		189	189	189	189	189	189	189	189	189	189	189	189	2 268	2 388	2 505
Vote 6 - Electrical Engineering Services		4 207	4 207	4 207	4 207	4 207	4 207	4 207	4 207	4 207	4 207	4 207	4 207	50 484	53 160	55 764
Vote 7 - Infrastructure, Engineering & Technical Services		2 220	2 220	2 220	2 220	2 220	2 220	2 220	2 220	2 220	2 220	2 220	2 220	26 645	28 057	29 432
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Revenue by Vote		12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	154 176	162 347	170 302
Expenditure by Vote to be appropriated																
Vote 1 - Municipal Manager		1 236	1 236	1 236	1 236	1 236	1 236	1 236	1 236	1 236	1 236	1 236	1 236	14 830	15 616	16 381
Vote 2 - Financial Services		1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	22 079	23 249	24 389
Vote 3 - Corporate Services		836	836	836	836	836	836	836	836	836	836	836	836	10 036	10 568	11 086
Vote 4 - Community Services: Community Development		1 493	1 493	1 493	1 493	1 493	1 493	1 493	1 493	1 493	1 493	1 493	1 493	17 917	18 867	19 791
Vote 5 - Community Services: Public Safety		472	472	472	472	472	472	472	472	472	472	472	472	5 669	5 970	6 262
Vote 6 - Electrical Engineering Services		4 720	4 720	4 720	4 720	4 720	4 720	4 720	4 720	4 720	4 720	4 720	4 720	56 643	59 645	62 567
Vote 7 - Infrastructure, Engineering & Technical Services		4 974	4 974	4 974	4 974	4 974	4 974	4 974	4 974	4 974	4 974	4 974	4 974	59 685	62 848	65 928
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Expenditure by Vote		15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	186 859	196 763	206 404
Surplus/(Deficit) before assoc.		(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(32 683)	(34 415)	(36 102)
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(32 683)	(34 415)	(36 102)

Table 49 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

NC062 Nama Khoi - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue - Standard																
<i>Governance and administration</i>		5 242	5 242	5 242	5 242	5 242	5 242	5 242	5 242	5 242	5 242	5 242	5 242	62 906	66 240	69 486
Executive and council		18	18	18	18	18	18	18	18	18	18	18	18	217	228	240
Budget and treasury office		5 129	5 129	5 129	5 129	5 129	5 129	5 129	5 129	5 129	5 129	5 129	5 129	61 549	64 811	67 987
Corporate services		95	95	95	95	95	95	95	95	95	95	95	95	1 140	1 201	1 260
<i>Community and public safety</i>		497	497	497	497	497	497	497	497	497	497	497	497	5 967	6 283	6 591
Community and social services		73	73	73	73	73	73	73	73	73	73	73	73	873	920	965
Sport and recreation		235	235	235	235	235	235	235	235	235	235	235	235	2 825	2 975	3 121
Public safety		189	189	189	189	189	189	189	189	189	189	189	189	2 268	2 388	2 505
Housing														-	-	-
Health														-	-	-
<i>Economic and environmental services</i>		3	3	3	3	3	3	3	3	3	3	3	3	41	43	46
Planning and development														-	-	-
Road transport		3	3	3	3	3	3	3	3	3	3	3	3	31	33	34
Environmental protection		1	1	1	1	1	1	1	1	1	1	1	1	10	11	11
<i>Trading services</i>		7 064	7 064	7 064	7 064	7 064	7 064	7 064	7 064	7 064	7 064	7 064	7 064	84 769	89 262	93 636
Electricity		4 207	4 207	4 207	4 207	4 207	4 207	4 207	4 207	4 207	4 207	4 207	4 207	50 484	53 160	55 764
Water		1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	1 595	19 142	20 157	21 145
Waste water management		623	623	623	623	623	623	623	623	623	623	623	623	7 471	7 867	8 253
Waste management		639	639	639	639	639	639	639	639	639	639	639	639	7 672	8 078	8 474
<i>Other</i>		41	41	41	41	41	41	41	41	41	41	41	41	492	519	544
Total Revenue - Standard		12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	154 176	162 347	170 302
Expenditure - Standard																
<i>Governance and administration</i>		3 912	3 912	3 912	3 912	3 912	3 912	3 912	3 912	3 912	3 912	3 912	3 912	46 946	49 434	51 856
Executive and council		1 236	1 236	1 236	1 236	1 236	1 236	1 236	1 236	1 236	1 236	1 236	1 236	14 830	15 616	16 381
Budget and treasury office		1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	22 079	23 249	24 389
Corporate services		836	836	836	836	836	836	836	836	836	836	836	836	10 036	10 568	11 086
<i>Community and public safety</i>		1 049	1 049	1 049	1 049	1 049	1 049	1 049	1 049	1 049	1 049	1 049	1 049	12 582	13 290	13 941
Community and social services		380	380	380	380	380	380	380	380	380	380	380	380	4 559	4 828	5 064
Sport and recreation		193	193	193	193	193	193	193	193	193	193	193	193	2 316	2 453	2 573
Public safety		472	472	472	472	472	472	472	472	472	472	472	472	5 669	5 970	6 262
Housing														-	-	-
Health		3	3	3	3	3	3	3	3	3	3	3	3	38	40	42
<i>Economic and environmental services</i>		1 472	1 472	1 472	1 472	1 472	1 472	1 472	1 472	1 472	1 472	1 472	1 472	17 663	18 705	19 622
Planning and development														-	-	-
Road transport		1 472	1 472	1 472	1 472	1 472	1 472	1 472	1 472	1 472	1 472	1 472	1 472	17 663	18 705	19 622
Environmental protection														-	-	-
<i>Trading services</i>		9 084	9 084	9 084	9 084	9 084	9 084	9 084	9 084	9 084	9 084	9 084	9 084	109 011	114 789	120 414
Electricity		4 720	4 720	4 720	4 720	4 720	4 720	4 720	4 720	4 720	4 720	4 720	4 720	56 643	59 645	62 567
Water		2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	30 501	32 117	33 691
Waste water management		960	960	960	960	960	960	960	960	960	960	960	960	11 521	12 131	12 726
Waste management		862	862	862	862	862	862	862	862	862	862	862	862	10 347	10 896	11 430
<i>Other</i>		55	55	55	55	55	55	55	55	55	55	55	55	657	692	726
Total Expenditure - Standard		15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	15 572	186 859	196 910	206 559
Surplus/(Deficit) before assoc.		(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(32 683)	(34 563)	(36 256)
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(2 724)	(32 683)	(34 563)	(36 256)

Table 50 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

NC062 Nama Khoi - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)																
Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - Municipal Manager													-	-	-	-
Vote 2 - Financial Services													-	-	-	-
Vote 3 - Corporate Services													-	-	-	-
Vote 4 - Community Services: Community Development													-	-	-	-
Vote 5 - Community Services: Public Safety													-	-	-	-
Vote 6 - Electrical Engineering Services		1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	23 000	2 000	8 000
Vote 7 - Infrastructure, Engineering & Technical Services		1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	20 558	16 971	17 952
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital multi-year expenditure sub-total	2	3 630	3 630	3 630	3 630	3 630	3 630	3 630	3 630	3 630	3 630	3 630	3 630	43 558	18 971	25 952
Single-year expenditure to be appropriated																
Vote 1 - Municipal Manager													-	-	-	-
Vote 2 - Financial Services													-	-	-	-
Vote 3 - Corporate Services													-	-	-	-
Vote 4 - Community Services: Community Development													-	-	-	-
Vote 5 - Community Services: Public Safety													-	-	-	-
Vote 6 - Electrical Engineering Services													-	-	-	-
Vote 7 - Infrastructure, Engineering & Technical Services		83	83	83	83	83	83	83	83	83	83	83	83	1 000	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital single-year expenditure sub-total	2	83	83	83	83	83	83	83	83	83	83	83	83	1 000	-	-
Total Capital Expenditure	2	3 713	3 713	3 713	3 713	3 713	3 713	3 713	3 713	3 713	3 713	3 713	3 713	44 558	18 971	25 952

Table 51 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

NC062 Nama Khoi - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)																
Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital Expenditure - Standard	1															
<i>Governance and administration</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Executive and council														-	-	-
Budget and treasury office														-	-	-
Corporate services														-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services														-	-	-
Sport and recreation														-	-	-
Public safety														-	-	-
Housing														-	-	-
Health														-	-	-
<i>Economic and environmental services</i>		83	83	83	83	83	83	83	83	83	83	83	83	1 000	-	-
Planning and development														-	-	-
Road transport		83	83	83	83	83	83	83	83	83	83	83	83	1 000	-	-
Environmental protection		-												-	-	-
<i>Trading services</i>		3 630	3 630	3 630	3 630	3 630	3 630	3 630	3 630	3 630	3 630	3 630	3 630	43 558	18 971	25 952
Electricity		1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	23 000	2 000	8 000
Water														-	-	-
Waste water management		1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	1 713	20 558	16 971	17 952
Waste management														-	-	-
<i>Other</i>														-	-	-
Total Capital Expenditure - Standard	2	3 713	3 713	3 713	3 713	3 713	3 713	3 713	3 713	3 713	3 713	3 713	3 713	44 558	18 971	25 952

Table 52 MBRR SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Receipts By Source													1		
Property rates	26 062	263	21	174	174	174	174	174	174	174	174	174	27 913	29 588	31 511
Property rates - penalties & collection charges	101	-	112	111	111	111	111	111	111	111	111	111	1 211	1 283	1 367
Service charges - electricity revenue	3 923	4 274	4 213	4 292	4 292	4 292	4 292	4 292	4 292	4 292	4 292	4 292	51 037	54 100	57 616
Service charges - water revenue	1 468	1 599	1 577	1 606	1 606	1 606	1 606	1 606	1 606	1 606	1 606	1 606	19 100	20 246	21 562
Service charges - sanitation revenue	433	472	465	474	474	474	474	474	474	474	474	474	5 631	5 969	6 357
Service charges - refuse revenue	593	646	637	649	649	649	649	649	649	649	649	649	7 714	8 176	8 708
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	156	102	112	99	99	99	99	99	99	99	99	99	1 258	1 334	1 421
Interest earned - external investments	-	-	65	52	52	52	52	52	52	52	52	52	532	564	600
Interest earned - outstanding debtors	91	91	87	106	106	106	106	106	106	106	106	106	1 224	1 298	1 382
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	2	188	18	24	24	24	24	24	24	24	24	24	424	449	479
Licences and permits	168	87	93	101	101	101	101	101	101	101	101	101	1 254	1 329	1 416
Agency services	121	96	118	97	97	97	97	97	97	97	97	97	1 206	1 278	1 361
Transfer receipts - operational	13 957	-	-	-	-	10 517	-	-	13 147	-	-	-	37 621	39 878	42 470
Other revenue	394	1 359	797	4 263	4 263	4 263	4 263	4 263	4 263	4 263	4 263	4 263	40 922	51 543	67 422
Cash Receipts by Source	47 467	9 177	8 315	12 047	12 047	22 564	12 047	12 047	25 194	12 047	12 047	12 047	197 046	217 035	243 671
Other Cash Flows by Source															
Transfer receipts - capital	-	-	-	-	-	-	-	-	-	-	-	27 758	27 758	16 971	17 952
Contributions recognised - capital & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	200	200	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	47 467	9 177	8 315	12 047	12 047	22 564	12 047	12 047	25 194	12 047	12 047	40 005	225 004	234 006	261 623
Cash Payments by Type															
Employee related costs	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	4 745	56 940	60 356	64 279
Remuneration of councillors	357	357	357	357	357	357	357	357	357	357	357	357	4 288	4 545	4 841
Finance charges	187	187	187	187	187	187	187	187	187	187	187	187	2 245	2 380	2 535
Bulk purchases - Electricity	592	592	592	592	592	592	592	592	592	592	592	592	7 103	7 529	8 019
Bulk purchases - Water & Sewer	125	125	125	125	125	125	125	125	125	125	125	125	1 504	1 594	1 698
Other materials	6 952	7 314	6 467	5 442	4 875	5 263	5 115	4 754	4 776	5 045	5 057	5 741	66 803	70 812	75 414
Contracted services	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	1 133	13 591	14 407	15 343
Transfers and grants - other municipalities	10	10	10	10	10	10	10	10	10	10	10	10	124	132	140
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	2 255	2 236	2 458	2 927	1 739	2 014	2 269	1 822	2 604	3 106	1 479	1 840	26 748	27 059	28 794
Cash Payments by Type	16 357	16 699	16 075	15 519	13 764	14 427	14 534	13 726	14 530	15 301	13 686	14 730	179 348	188 815	201 064
Other Cash Flows/Payments by Type															
Capital assets	2 760	5 790	8 435	9 310	9 610	6 910	5 300	5 060	4 020	3 300	2 845	4 230	67 570	18 971	25 952
Repayment of borrowing	262	262	262	262	262	262	262	262	262	262	262	262	3 143	2 985	2 836
Other Cash Flows/Payments	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(2 255)	(27 055)	(57)	(60)
Total Cash Payments by Type	17 124	20 497	22 517	22 837	21 381	19 344	17 841	16 793	16 557	16 609	14 538	16 968	223 006	210 714	229 792
NET INCREASE/(DECREASE) IN CASH HELD	30 343	(11 320)	(14 203)	(10 790)	(9 334)	3 220	(5 794)	(4 746)	8 637	(4 562)	(2 491)	23 038	1 998	23 292	31 831
Cash/cash equivalents at the month/year begin:	4 882	35 225	23 905	9 703	(1 087)	(10 421)	(7 201)	(12 995)	(17 741)	(9 105)	(13 667)	(16 158)	4 882	6 880	30 172
Cash/cash equivalents at the month/year end:	35 225	23 905	9 703	(1 087)	(10 421)	(7 201)	(12 995)	(17 741)	(9 105)	(13 667)	(16 158)	6 880	6 880	30 172	62 003

1.16 Annual budgets and SDBIPs – internal departments

The Service Delivery Budget and Implementation Plan will be approved by Council on the 28 June 2012.

1.17 Contracts having future budgetary implications

No contracts are awarded beyond the medium-term revenue and expenditure framework (three years)

1.18 Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table 53 MBRR SA 34a - Capital expenditure on new assets by asset class

NC062 Nama Khoi - Supporting Table SA34a Capital expenditure on new assets by asset class										
Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure	1	3 524	30 862	-	11 883	-	-	44 558	-	-
Infrastructure - Road transport		392	785	-	6 017	-	-	1 000	-	-
Roads, Pavements & Bridges		392	785		-			1 000		
Storm water					6 017			-		
Infrastructure - Electricity		289	23 208	-	5 866	-	-	23 000	-	-
Generation					5 866					
Transmission & Reticulation		289	23 208					23 000		
Street Lighting										
Infrastructure - Water		2 766	5 418	-	-	-	-	-	-	-
Dams & Reservoirs			5 418							
Water purification										
Reticulation		2 766						-		
Infrastructure - Sanitation		76	-	-	-	-	-	-	20 558	-
Reticulation										
Sewerage purification		76							20 558	
Infrastructure - Other		-	1 451	-	-	-	-	-	-	-
Waste Management			1 451							
Transportation										
Gas										
Other										
Community		2	-	1 222	-	-	-	-	-	-
Parks & gardens		7								
Sportsfields & stadia										
Swimming pools										
Community halls				192						
Libraries										
Recreational facilities				1 030						
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other										
Heritage assets	9	-	-	-	-	-	-	-	-	
Buildings										
Other										
Investment properties	10	-	-	-	-	-	-	-	-	
Housing development										
Other										
Other assets	10	1 939	5 368	-	2 000	-	-	-	-	
General vehicles		96	3 486							
Specialised vehicles		-	-	-	-	-	-	-	-	
Plant & equipment		11								
Computers - hardware/equipment		113	120							
Furniture and other office equipment		1 297	1 737							
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		423	25		2 000					
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets	11	-	-	-	-	-	-	-	-	
List sub-class										
Biological assets	12	-	-	-	-	-	-	-	-	
List sub-class										
Intangibles	13	-	-	-	-	-	-	-	-	
Computers - software & programming										
Other (list sub-class)										
Total Capital Expenditure on new assets	1	5 463	37 452	-	13 883	-	-	44 558	-	-

Table 54 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	
Capital expenditure on renewal of existing assets by Asset Class/Sub-class											
Infrastructure		5 900	28 326	18 979	9 435	-	-	-	-	-	
Infrastructure - Road transport		700	2 195	4 000	-	-	-	-	-	-	
Roads, Pavements & Bridges		700									
Storm water			2 195	4 000							
Infrastructure - Electricity		-	20 131	8 000	9 435	-	-	-	-	-	
Generation											
Transmission & Reticulation			20 131	8 000	9 435						
Street Lighting											
Infrastructure - Water		5 200	5 707	6 979	-	-	-	-	-	-	
Dams & Reservoirs		2 700									
Water purification											
Reticulation		2 500	5 707	6 979							
Infrastructure - Sanitation		-	293	-	-	-	-	-	-	-	
Reticulation			293								
Sewerage purification											
Infrastructure - Other		-	-	-	-	-	-	-	-	-	
Waste Management											
Transportation											
Gas											
Other											
Community			-	2 538	3 300	26 380	-	-	-	-	-
Parks & gardens											
Sportsfields & stadia				2 000	3 300	1 380					
Swimming pools											
Community halls											
Libraries											
Recreational facilities											
Fire, safety & emergency											
Security and policing											
Buses											
Clinics				88							
Museums & Art Galleries											
Cemeteries				450							
Social rental housing											
Other						25 000					
Heritage assets		-	-	-	-	-	-	-	-	-	
Buildings											
Other											
Investment properties		-	-	-	-	-	-	-	-	-	
Housing development											
Other											
Other assets		-	-	-	900	-	-	-	-	-	
General vehicles											
Specialised vehicles		-	-	-		-	-	-	-	-	
Plant & equipment					900						
Computers - hardware/equipment											
Furniture and other office equipment											
Abattoirs											
Markets											
Civic Land and Buildings											
Other Buildings											
Other Land											
Surplus Assets - (Investment or Inventory)											
Other											
Agricultural assets		-	-	-	-	-	-	-	-	-	
List sub-class											
Biological assets		-	-	-	-	-	-	-	-	-	
List sub-class											
Intangibles		-	-	-	-	-	-	-	-	-	
Computers - software & programming											
Other (list sub-class)											
Total Capital Expenditure on renewal of existing	1	5 900	30 864	22 279	36 715	-	-	-	-	-	
Specialised vehicles		-	-	-	-	-	-	-	-	-	
Refuse											
Fire											
Conservancy											
Ambulances											
Renewal of Existing Assets as % of total capex		51.9%	45.2%	100.0%	72.6%	0.0%	0.0%	0.0%	0.0%	0.0%	
Renewal of Existing Assets as % of deprecn"		52.6%	242.9%	1766.3%	414.7%	0.0%	0.0%	0.0%	0.0%	0.0%	

Table 55 MBRR SA34c - Repairs and maintenance expenditure by asset class

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		5 786	3 390	–	3 450	3 450	3 450	11 280	11 957	12 734
Infrastructure - Road transport		1 502	674	–	500	500	500	2 000	2 120	2 258
Roads, Pavements & Bridges		1 502	674		500	500	500	2 000	2 120	2 258
Storm water										
Infrastructure - Electricity		2 008	1 003	–	803	803	803	–	–	–
Generation		2 009	1 003							
Transmission & Reticulation		(1)	–		803	803	803			
Street Lighting					–					
Infrastructure - Water		1 328	747	–	1 408	1 408	1 408	2 850	3 021	3 217
Dams & Reservoirs										
Water purification										
Reticulation		1 328	747		1 408	1 408	1 408	2 850	3 021	3 217
Infrastructure - Sanitation		948	966	–	739	739	739	2 000	2 120	2 258
Reticulation		948	966		739	739	739	2 000	2 120	2 258
Sewerage purification										
Infrastructure - Other		–	–	–	–	–	–	4 430	4 696	5 001
Waste Management								3 700	3 922	4 177
Transportation	2								–	–
Gas									–	–
Other	3							730	774	824
Community		42	1	–	–	–	–	–	–	–
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other		42	1							
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings										
Other	9									
Investment properties		–	–	–	–	–	–	–	–	–
Housing development										
Other										
Other assets		4 842	3 645	–	5 598	5 090	5 090	–	–	–
General vehicles		459	248		508					
Specialised vehicles		–	–	–	–	–	–	–	–	–
Plant & equipment		1 729	1 228		2 457	2 457	2 457			
Computers - hardware/equipment		–	44		–					
Furniture and other office equipment		714	1 005		1 246	1 246	1 246			
Abattoirs										
Markets										
Civic Land and Buildings		1 940	1 120		1 387	1 387	1 387			
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class										
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class										
Intangibles		–	–	–	–	–	–	–	–	–
Computers - software & programming										
Other (list sub-class)										
Total Repairs and Maintenance Expenditure	1	10 669	7 037	–	9 048	8 539	8 539	11 280	11 957	12 734
Specialised vehicles		–	–	–	–	–	–	–	–	–
Refuse										
Fire										
Conservancy										
Ambulances										
R&M as a % of PPE		3.1%	1.9%	0.0%	2.1%	2.0%	2.0%	2.6%	2.5%	2.4%
R&M as % Operating Expenditure		9.2%	5.2%	0.0%	6.0%	5.4%	5.4%	6.0%	6.1%	6.2%

Table 56 MBRR SA35 - Future financial implications of the capital budget

Vote Description	Ref	2012/13 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Municipal Manager		6 590	-	-				
Vote 2 - Financial Services		-	-	-				
Vote 3 - Corporate Services		2 760	265	195				
Vote 4 - Community Services: Community Development		8 200	2 650	1 050				
Vote 5 - Community Services: Public Safety		-	-	-				
Vote 6 - Electrical Engineering Services		30 240	1 500	8 000				
Vote 7 - Infrastructure, Engineering & Technical Services		19 520	18 810	34 256				
Vote 8 - [NAME OF VOTE 8]		-	-	-				
Vote 9 - [NAME OF VOTE 9]		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		67 310	23 225	43 501	-	-	-	-
Future operational costs by vote	2							
Vote 1 - Municipal Manager								
Vote 2 - Financial Services								
Vote 3 - Corporate Services								
Vote 4 - Community Services: Community Development								
Vote 5 - Community Services: Public Safety								
Vote 6 - Electrical Engineering Services								
Vote 7 - Infrastructure, Engineering & Technical Services								
Vote 8 - [NAME OF VOTE 8]								
Vote 9 - [NAME OF VOTE 9]								
Vote 10 - [NAME OF VOTE 10]								
Vote 11 - [NAME OF VOTE 11]								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								
Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		67 310	23 225	43 501	-	-	-	-

Table 57 MBRR SA36 - Detailed capital budget per municipal vote

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2012/13 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2010/11	Current Year 2011/12 Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Ward location	New or renewal
R thousand	4			2	6	3	3	5								
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>																
Vote 6 - Electrical Engineering Services		Substations, bulk metering, Networks				Infrastructure - Electricity	Other					23 000				
Vote 7 - Infrastructure, Engineering & Transport		Standby Generator, specialist vehicles, Feasibility study				Infrastructure - Sanitation	Other					20 558				
Vote 7 - Infrastructure, Engineering & Transport		Storm Water				Infrastructure - Road transport	Other					1 000				
Parent Capital expenditure	1											44 558	-	-		

Table 58 MBRR SA37 - Projects delayed from previous financial year

Municipal Vote/Capital project	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2011/12		2012/13 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand												
Parent municipality:												
List all capital projects grouped by Municipal Vote				Examples	Examples							
Community and social services		Upgrading of Steinkopf Sports Complex	390	Community	Sportsfields & stadia			3 969	3 969	1 500		
Community and social services		Upgrading of Okiep Sports Complex	894	Community	Sportsfields & stadia			1 337	1 337	1 266		
Infrastructure, Engineering & Technical Services		Vioolsdrift Reservoir and Purification Plant	1 078					1 218	1 218	816		
Infrastructure, Engineering & Technical Services		Feasibility Studies: Sewer Networks	1 187	Infrastructure - Sanitation	Sewerage purification			2 383	2 383	2 383		
Infrastructure, Engineering & Technical Services		Bulletrap Water Supply	367	Infrastructure - Water	Transmission & Reticulation			1 934	1 934	118		
Infrastructure, Engineering & Technical Services		Bucket Eradication	424	Infrastructure - Sanitation	Sewerage purification			8 743	8 743	101		
Vote 6 - Electrical Engineering Services		Springbok Booster Pump Station	411	Infrastructure - Electricity	Transmission & Reticulation			1 710	1 710	1 710		
Entities:												
List all capital projects grouped by Municipal Entity												
Entity Name												
Project name												

1.19 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipality's website.
2. Internship programme
Nama Khoi Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. Of the five interns one has been allocated under the Internal Audit Unit.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan
The detail SDBIP document is at a draft stage and will be finalized after approval of the 2012/13 MTREF in May 2010 directly aligned and informed by the 2012/13 MTREF.
6. Annual Report
The 2010/2011 Annual report was not tabled as per requirement by the MFMA.
7. MFMA Training
The MFMA training module in electronic format will be presented at the Municipality's internal centre and training is ongoing.
8. Policies
An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009 was announced in Government Gazette 33016 on 12 March 2010.

1.20 Other supporting documents

Table 59 MBRR Table SA1 - Supporting detail to budgeted financial performance

**Table 64 MBRR Table SA1 - Supporting detail to budgeted financial performance
(Continued)**

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		20 607	20 096	22 061	22 368	21 204	21 204		30 510	32 127	33 701
less Revenue Foregone		877			510	510	510				
Net Property Rates		19 731	20 096	22 061	21 858	20 693	20 693	-	30 510	32 127	33 701
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		26 361	33 533	38 402	47 352	47 181	47 181		49 856	52 499	55 071
less Revenue Foregone		74	3 533	3 210	652	652	652				
Net Service charges - electricity revenue		26 288	30 000	35 192	46 700	46 529	46 529	-	49 856	52 499	55 071
Service charges - water revenue	6										
Total Service charges - water revenue		10 386	15 189	16 796	20 703	17 193	17 193		18 716	19 708	20 673
less Revenue Foregone			1 600	1 404							
Net Service charges - water revenue		10 386	13 588	15 392	20 703	17 193	17 193	-	18 716	19 708	20 673
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		3 924	5 402	5 946	5 228	6 848	6 848		5 743	6 048	6 344
less Revenue Foregone			569	497							
Net Service charges - sanitation revenue		3 924	4 832	5 449	5 228	6 848	6 848	-	5 743	6 048	6 344
Service charges - refuse revenue	6										
Total refuse removal revenue		4 711	4 351	4 941	6 333	11 731	11 731		7 672	8 078	8 474
Total landfill revenue						-					
less Revenue Foregone		4 498	458	413	5 338	5 338	5 338				
Net Service charges - refuse revenue		212	3 892	4 528	995	6 393	6 393	-	7 672	8 078	8 474
Other Revenue by source											
List other revenue by source		5 927	10 634	3 512	3 696	10 156	10 156		(2 407)	(2 534)	(2 658)
	3										
Total 'Other' Revenue	1	5 927	10 634	3 512	3 696	10 156	10 156	-	(2 407)	(2 534)	(2 658)

EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	21 585	24 644	27 367	30 429	37 575	37 575		41 090	43 268	45 388
Pension and UIF Contributions		4 032	5 129	5 211	5 672	5 672	5 672		7 807	8 221	8 624
Medical Aid Contributions		3 018			3 457	3 457	3 457		1 205	1 269	1 331
Overtime		516	1 252	1 553	369	369	369		2 187	2 303	2 415
Performance Bonus		1 258	1 915	2 060	1 350	1 350	1 350			-	-
Motor Vehicle Allowance		1 621	3 289	3 236	2 065	2 065	2 065			-	-
Cellphone Allowance						-	-			-	-
Housing Allowances		247	425	326	400	400	400		374	394	413
Other benefits and allowances		636	448	525	730	730	730		11 984	12 619	13 238
Payments in lieu of leave											
Long service awards											
Post-retirement benefit obligations	4		730	751							
sub-total	5	32 914	37 834	41 029	44 471	51 617	51 617	-	64 648	68 074	71 410
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	32 914	37 834	41 029	44 471	51 617	51 617	-	64 648	68 074	71 410
Contributions recognised - capital											
List contributions by contract											
Total Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment											
Depreciation of Property , Plant & Equipment		11 206	12 708	1 261	8 853		-		9 111	9 593	10 064
Lease amortisation											
Capital asset impairment					-						
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	11 206	12 708	1 261	8 853	-	-	-	9 111	9 593	10 064
Bulk purchases											
Electricity Bulk Purchases		17 981	25 259	32 463	41 400	41 400	41 400		46 989	49 480	51 904
Water Bulk Purchases		7 786	14 660	14 393	18 584	18 584	18 584		21 558	22 701	23 813
Total bulk purchases	1	25 767	39 920	46 856	59 985	59 985	59 985	-	68 547	72 180	75 717
Transfers and grants											
Cash transfers and grants		-	13 569	19	-	-	-	-	-	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	-	13 569	19	-	-	-	-	-	-	-
Contracted services											
Building Control		-	-		-		-				
Consultants		-	212		-		-				
Forensic Investigation		-			-		-				
GRAP			-		-		-				
IDP			-		23	23	23				
Internal Audit		26	-		-		-				
SABS			-		-		-				
Security		121	133	843	424	458	458		567	597	626
Surveyor			-		-		-				
Valuation		161	257		-		-				
Valuation Services			381		-		-				
Water		-			-		-				
sub-total	1	308	983	843	447	481	481	-	567	597	626
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		308	983	843	447	481	481	-	567	597	626

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Table 60 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

Description	Ref	Vote 1 - Municipal Manager	Vote 2 - Financial Services	Vote 3 - Corporate Services	Vote 4 - Community Services: Community Development	Vote 5 - Community Services: Public Safety	Vote 6 - Electrical Engineering Services	Vote 7 - Infrastructur e, Engineering & Technical	Vote 8 - [NAME OF VOTE 8]	Vote 9 - [NAME OF VOTE 9]	Vote 10 - [NAME OF VOTE 10]	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates			30 510														30 510
Property rates - penalties & collection charges			618														618
Service charges - electricity revenue							49 856										49 856
Service charges - water revenue								18 716									18 716
Service charges - sanitation revenue					7 672			5 743									5 743
Service charges - refuse revenue																	7 672
Service charges - other			1 431														1 431
Rental of facilities and equipment				1 260													1 260
Interest earned - external investments			485														485
Interest earned - outstanding debtors			1 224														1 224
Dividends received																	-
Fines						88											88
Licences and permits						1 254											1 254
Agency services						1 206											1 206
Other revenue		217	(2 407)														(2 190)
Transfers recognised - operational			36 302														36 302
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contributions)		217	68 164	1 260	7 672	2 548	49 856	24 459	-	-	-	-	-	-	-	-	154 176
Expenditure By Type																	
Employee related costs		8 708	11 302	6 545	10 264	5 954	5 495	16 381									64 648
Remuneration of councillors		4 289															4 289
Debt impairment																	-
Depreciation & asset impairment			9 111														9 111
Finance charges			1 504														1 504
Bulk purchases							46 989	21 558									68 547
Other materials																	-
Contracted services					567												567
Transfers and grants																	-
Other expenditure		5 095	12 412	6 988	5 783	681	4 953	2 281									38 194
Loss on disposal of PPE																	-
Total Expenditure		18 093	34 329	13 533	16 614	6 635	57 436	40 220	-	-	-	-	-	-	-	-	186 859
Surplus/(Deficit)		(17 876)	33 835	(12 273)	(8 942)	(4 088)	(7 580)	(15 761)	-	-	-	-	-	-	-	-	(32 683)
Transfers recognised - capital																	-
Contributions recognised - capital																	-
Contributed assets																	-
Surplus/(Deficit) after capital transfers & contributions		(17 876)	33 835	(12 273)	(8 942)	(4 088)	(7 580)	(15 761)	-	-	-	-	-	-	-	-	(32 683)

Table 61 MBRR Table SA3 – Supporting detail to Statement of Financial Position

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
ASSETS											
Call investment deposits	2										
Call deposits < 90 days		4 658	7 359		5 000	5 000	5 000	5 000	8 622	9 622	10 622
Other current investments > 90 days											
Total Call investment deposits	2	4 658	7 359	–	5 000	5 000	5 000	5 000	8 622	9 622	10 622
Consumer debtors											
Consumer debtors	2	23 570	28 214	20 653	33 916	33 916	33 916	33 916	89 374	92 892	98 856
Less: Provision for debt impairment		(11 445)	(13 635)		(16 316)	(16 316)	(16 316)	(16 316)	(2 245)	(3 245)	3 745
Total Consumer debtors		12 125	14 578	20 653	17 600	17 600	17 600	17 600	87 129	89 647	102 601
Debt impairment provision											
Balance at the beginning of the year	2	21 977	11 445		14 935	14 935	14 935	14 935	13 577	12 822	12 567
Contributions to the provision		(1 417)	2 191		1 381	1 381	1 381	1 381	2 245	2 745	3 245
Bad debts written off		(9 115)	–		–				(3 000)	(3 000)	(3 000)
Balance at end of year		11 445	13 635	–	16 316	16 316	16 316	16 316	12 822	12 567	12 812
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)	3	365 978	399 887	371 148	489 386	489 386	489 386	489 386	431 457	474 603	522 063
Leases recognised as PPE		818	1 551		60	60	60	60	840	890	940
Less: Accumulated depreciation		24 649	35 310		55 796	55 796	55 796	55 796	(7 103)	(7 458)	(7 831)
Total Property, plant and equipment (PPE)	2	342 148	366 128	371 148	433 650	433 650	433 650	433 650	439 400	482 951	530 834
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)	2										
Current portion of long-term liabilities		2 511	2 505		3 500	3 500	3 500	3 500	2 919	3 064	3 218
Total Current liabilities - Borrowing		2 511	2 505	–	3 500	3 500	3 500	3 500	2 919	3 064	3 218
Trade and other payables											
Trade and other creditors	2	9 456	19 378	13 513	10 800	10 800	10 800	10 800	9 606	9 125	8 669
Unspent conditional transfers		7 951	4 567		–	–	–	–	5 600		
VAT		–	2 595		3 300	3 300	3 300	3 300	80		
Total Trade and other payables	2	17 406	26 540	13 513	14 100	14 100	14 100	14 100	15 285	9 125	8 669
Non current liabilities - Borrowing											
Borrowing	4	8 135	6 619	5 168	29 369	29 369	29 369	29 369	27 000	–	–
Finance leases (including PPP asset element)		596	1 070		56	56	56	56			
Total Non current liabilities - Borrowing		8 730	7 689	5 168	29 424	29 424	29 424	29 424	27 000	–	–
Provisions - non-current											
Retirement benefits	2	10 211	10 795		14 332	14 332	14 332	14 332			
List other major provision items											
Refuse landfill site rehabilitation		4 731	5 185		10 885	10 885	10 885	10 885	2 078	2 181	2 290
Other			20 785								
Total Provisions - non-current		14 943	15 980	20 785	25 217	25 217	25 217	25 217	2 078	2 181	2 290
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance	1	(5 156)	294 807	319 929	344 918	344 918	344 918	344 918	345 284	391 879	392 879
GRAP adjustments		301 796	–								
Restated balance		296 640	294 807	319 929	344 918	344 918	344 918	344 918	345 284	391 879	392 879
Surplus/(Deficit)		(26 059)	19 518	2 730	(13 487)	(13 807)	(13 807)	–	18 836	1 000	1 472
Appropriations to Reserves	1		(3 444)								
Transfers from Reserves											
Depreciation offsets		587	645		650	650	650	650			
Other adjustments											
Accumulated Surplus/(Deficit)	1	271 167	311 525	322 659	332 081	331 761	331 761	345 568	364 121	392 879	394 351
Reserves											
Housing Development Fund	2										
Capital replacement		1 257	1 500	25 355	1 500	1 500	1 500	1 500			
Self-insurance											
Donations and public contributions		21 298	23 855		22 555	22 555	22 555	22 555			
Revaluation											
Total Reserves	2	22 555	25 355	25 355	24 055	24 055	24 055	24 055	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	293 722	336 880	348 014	356 135	355 816	355 816	369 623	364 121	392 879	394 351

Table 62 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

NC062 Nama Khoi - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	1996 Census	2001 Census	2007 Survey	2008/9	2009/10	2010/11	Current Year 2011/12	2012/13 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population						54	54	58				
Females aged 5 - 14						5	5	6				
Males aged 5 - 14						6	6	6				
Females aged 15 - 34						5	5	5				
Males aged 15 - 34						5	5	6				
Unemployment						9	9	10				
Monthly household income (no. of households)	1, 12	-										
No income												
R1 - R1 600					722	722	722	780				
R1 601 - R3 200					722	722	722	780				
R3 201 - R6 400					1,159	1,159	1,159	1,252				
R6 401 - R12 800					1,159	1,159	1,159	1,252				
R12 801 - R25 600					12,949	12,949	12,949	13,985				
R25 601 - R51 200					12,949	12,949	12,949	13,985				
R52 201 - R102 400												

R102 401 - R204 800				10,220	10,220	10,220	11,038				
R204 801 - R409 600				10,702	10,702	10,702	11,558				
R409 601 - R819 200				2,714	2,714	2,714	2,931				
> R819 200				214	214	214	231				
					-						
Poverty profiles (no. of households)											
< R2 060 per household per month	13										
Insert description	2										
Household/demographics (000)											
Number of people in municipal area				53,510	54	54	58				
Number of poor people in municipal area				3,371	3	3	4				
Number of households in municipal area				17,069	17	17	17				
Number of poor households in municipal area											
Definition of poor household (R per month)				no income			no income				
Housing statistics											
Formal	3										
Informal					12,675	12,675	13,689				
					3,798	3,798	4,102				
Total number of households											
Dwellings provided by municipality	4	-	-	-	16,473	16,473	17,791	-	-	-	-
Dwellings provided by province/s											
Dwellings provided by private sector	5										

Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic	6											
Inflation/inflation outlook (CPIX)												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
		<u>Household service targets (000)</u>									
		<u>Water:</u>									
		Piped water inside dwelling	37,725	37,725	40,742						
		Piped water inside yard (but not in dwelling)	13,752	13,752	14,852						
		Using public tap (at least min.service level)									
		Other water supply (at least min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	51,477	51,477	55,594	-	-	-	-	-	-

9	Using public tap (< min.service level)								
10	Other water supply (< min.service level)	2,033	2,033	2,197					
	No water supply								
	<i>Below Minimum Service Level sub-total</i>	2,033	2,033	2,197	-	-	-	-	-
	Total number of households	53,510	53,510	57,791	-	-	-	-	-
	<u>Sanitation/sewerage:</u>								
	Flush toilet (connected to sewerage)	39,383	39,383	42,534					
	Flush toilet (with septic tank)	1,980	1,980	2,138					
	Chemical toilet	1,391	1,391	1,503					
	Pit toilet (ventilated)	374	374	404					
	Other toilet provisions (> min.service level)	8,241	8,241	8,900					
	<i>Minimum Service Level and Above sub-total</i>	51,369	51,369	55,479	-	-	-	-	-
	Bucket toilet	268	268	289					
	Other toilet provisions (< min.service level)	1,873	1,873	2,023					
	No toilet provisions								
	<i>Below Minimum Service Level sub-total</i>	2,141	2,141	2,312	-	-	-	-	-
	Total number of households	53,510	53,510	57,791	-	-	-	-	-
	<u>Energy:</u>								
	Electricity (at least min.service level)	50,995	50,995	55,075					
	Electricity - prepaid (min.service level)								
	<i>Minimum Service Level and Above sub-total</i>	50,995	50,995	55,075	-	-	-	-	-
	Electricity (< min.service level)								
	Electricity - prepaid (< min. service level)								
	Other energy sources	2,515	2,515	2,716					
	<i>Below Minimum Service Level sub-total</i>	2,515	2,515	2,716	-	-	-	-	-
	Total number of households								

			53,510	53,510	57,791	-	-	-	-	-	-
		<u>Refuse:</u>									
		Removed at least once a week									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week									
		Using communal refuse dump									
		Using own refuse dump									
		Other rubbish disposal									
		No rubbish disposal									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Municipal in-house services			2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Ref.		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
		<u>Household service targets (000)</u>									
		<u>Water:</u>									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
8		Using public tap (at least min.service level)									
10		Other water supply (at least min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
9		Using public tap (< min.service level)									
10		Other water supply (< min.service level)									
		No water supply									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
		<u>Sanitation/sewerage:</u>									
		Flush toilet (connected to sewerage)									
		Flush toilet (with septic tank)									
		Chemical toilet									

Pit toilet (ventilated)								
Other toilet provisions (> min.service level)								
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-
Bucket toilet								
Other toilet provisions (< min.service level)								
No toilet provisions								
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-
Total number of households	-	-	-	-	-	-	-	-
<u>Energy:</u>								
Electricity (at least min.service level)								
Electricity - prepaid (min.service level)								
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-
Electricity (< min.service level)								
Electricity - prepaid (< min. service level)								
Other energy sources								
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-
Total number of households	-	-	-	-	-	-	-	-
<u>Refuse:</u>								
Removed at least once a week								
<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-
Removed less frequently than once a week								
Using communal refuse dump								
Using own refuse dump								
Other rubbish disposal								
No rubbish disposal								
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-
Total number of households	-	-	-	-	-	-	-	-

Table 63 MBRR SA32 – List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand

1.21 Municipal manager's quality certificate

I Nevie Aubrey Baartman, municipal manager of Nama Khoi, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name _____

Municipal manager of Nama Khoi (NC062)

Signature _____

Date _____